



IIFL HOME FINANCE LIMITED

(Formerly known as India Infoline Housing Finance Limited)

IIFL Home Finance Limited (the "Company" or "Issuer") was incorporated at Mumbai on December 26, 2006, with the name India Infoline Housing Finance Limited under the provisions of the Companies Act, 1956. The name of our Company was changed to IIFL Home Finance Limited pursuant to a fresh certificate of incorporation dated on May 2, 2018, issued by the Registrar of Companies, Maharashtra, Mumbai. Our Company is registered with the National Housing Bank ("NHB") as housing finance company vide registration no. 09.0175.18 dated September 14, 2018. For more information about the Company, please refer "General information" and "History and Main Objects" on pages 44 and 111 of the Shelf Prospectus.

Registered Office: IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane - 400604, Maharashtra, India.; **Tel.:** +91 22 4103 5000; **Fax:** +91 22 2580 6654
Corporate Office: Plot No. 98, Udyog Vihar Phase - IV, Gurgaon - 122015, India; **Tel.:** (91-0124) 4754 600;
CIN: U65993MH2006PLC166475; **Website:** www.iifl.com/home-loans; **Email:** secretarialhfc@iifl.com

Company Secretary and Compliance Officer: Ajay Jaiswal

PUBLIC ISSUE BY THE COMPANY OF UNSECURED SUBORDINATED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF ₹ 1,000 EACH ("UNSECURED NCDs") FOR AN AMOUNT OF ₹ 1,000 MILLION ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 9,000 MILLION AMOUNTING TO ₹ 10,000 MILLION ("TRANCHE I ISSUE LIMIT") ("TRANCHE I ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹ 50,000 MILLION ("SHELF LIMIT") AND IS BEING OFFERED BY WAY OF THIS TRANCHE I PROSPECTUS DATED JUNE 29, 2021 CONTAINING INTER ALIA THE TERMS AND CONDITIONS OF TRANCHE I ISSUE ("TRANCHE I PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED JUNE 29, 2021 ("SHELF PROSPECTUS") FILED WITH THE REGISTRAR OF COMPANIES, MUMBAI, MAHARASHTRA ("ROC"), STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"). THE SHELF PROSPECTUS AND TRANCHE I PROSPECTUS CONSTITUTE THE PROSPECTUS ("PROSPECTUS"). THE UNSECURED NCDs WILL BE IN THE NATURE OF SUBORDINATED DEBT AND WILL BE ELIGIBLE FOR INCLUSION AS TIER II CAPITAL. THIS TRANCHE I ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED (THE "SEBI DEBT REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED AND TO THE EXTENT NOTIFIED.

OUR PROMOTER

Our Promoter is IIFL Finance Limited (formerly known as IIFL Holdings Limited). For details of our Promoter, please refer to the section "Our Promoter" on page 129 of the Shelf Prospectus.

GENERAL RISKS

For taking an investment decision, investors must rely on their own examination of the Issuer and the Tranche I Issue, including the risks involved. Specific attention of the Investors is invited to the sections titled "Risk Factors" on page 19 of the Shelf Prospectus and "Material Developments" on page 29. This Tranche I Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), the National Housing Bank ("NHB"), any registrar of companies or any stock exchange in India.

ISSUER ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Tranche I Prospectus read together with Shelf Prospectus contains all information with regard to the Issuer. The information contained in this Tranche I Prospectus read together with Shelf Prospectus is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Tranche I Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT & ELIGIBLE INVESTORS

For the details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount & Eligible Investors of the Unsecured NCDs, see chapter titled "Terms of the Issue" on page 55. For details relating to eligible investors please see "Issue Procedure" on page 71.

CREDIT RATING

The NCDs proposed to be issued under the Issue have been rated "CRISIL AA/Stable" (pronounced as CRISIL double A rating with stable outlook) for an amount of ₹50,000 million by CRISIL Ratings Limited ("CRISIL") vide their rating letter dated June 11, 2021 and "BWR AA+/Negative (Assigned)" (pronounced as "BWR Double A plus with Negative outlook") for an amount of ₹ 50,000 million by Brickwork Ratings India Private Limited vide their rating letter dated June 11, 2021. The aforesaid rating indicates that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please refer to Annexures A and B of this Tranche I Prospectus for the rationale of the above ratings.

LISTING

The NCDs offered through this Tranche I Prospectus are proposed to be listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). Our Company has received an 'in-principle' approval from BSE vide its letter no. DCS/BM/PI-BOND/006/21-22 dated June 24, 2021 and NSE vide its letter no. NSE/LIST/D/2021/0061 dated June 21, 2021. NSE shall be the designated stock exchange for the Issue.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated June 17, 2021 was filed with BSE and NSE, pursuant to the provisions of the SEBI Debt Regulations was open for public comments for a period of seven Working Days from the date of filing of the Draft Shelf Prospectus with the BSE and NSE.

LEAD MANAGERS TO THE ISSUE

<p>Edelweiss Financial Services Limited Edelweiss House, Off CST Road Kalina, Mumbai - 400 098, Maharashtra, India Tel.: +91 22 4086 3535 Fax: +91 22 4086 3610 Email: iifl.ncd@edelweissfin.com Investor Grievance Email: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Mr. Lokesh Singhi Compliance Officer: Ms. Bhavana Kapadia SEBI Registration No.: INM0000010650 CIN: L99999MH1995PLC09461</p>	<p>IIFL Securities Limited* 10th Floor, IIFL Centre, Kamala Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013, Maharashtra, India Tel.: +91 22 4646 4600 Fax: +91 22 2493 1073 Email: iiflhome.ncd@iiflcap.com Investor Grievance Email: ig.ib@iiflcap.com Website: www.iiflcap.com Contact Person: Ms. Nishita Mody Compliance Officer: Mr. Pawan Jain SEBI Registration No.: INM000010940 CIN: L99999MH1996PLC132983</p>	<p>ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai - 400 020, Maharashtra, India Tel.: +91 22 2288 2460 Fax: +91 22 2282 6580 Email: iiflhome.ncd@icicisecurities.com Investor Grievance Email: customercare@icicisecurities.com Website: www.icicisecurities.com Contact person: Mr. Rupesh Khant Compliance Officer: Mr. Ankit SEBI Registration Number: INM000011179 CIN: L67120MH1995PLC086241</p>
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LEAD MANAGERS TO THE ISSUE

LEAD MANAGERS TO THE ISSUE	REGISTRAR TO THE ISSUE	DEBENTURE TRUSTEE TO THE ISSUE
<p>Trust Investment Advisors Private Limited 109/110, Balarama, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051, Maharashtra, India Tel.: +91 22 4084 5000 Fax: +91 22 4084 5066 Email: projectdawn@trustgroup.in Investor Grievance Email: customercare@trustgroup.in Website: www.trustgroup.in Contact Person: Ms. Hani Jalan Compliance Officer: Mr. Brijmohan Bohra SEBI Registration No.: INM000011120 CIN: U67190MH2006PTC162464</p>	<p>Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083, Maharashtra, India Tel.: +91 22 4918 6200 Fax: +91 22 4918 6195 Email: iiflhome.ncd@linkintime.co.in Investor Grievance Email: iiflhome.ncd@linkintime.co.in Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan Compliance Officer: B.N. Ramakrishnan SEBI Registration No.: INR000004058 CIN: U67190MH1999PTC118368</p>	<p>Catalyst Trustee Limited** GDA House, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune - 411 038, Maharashtra, India Tel.: +91 22 4922 0555 Fax: +91 22 4922 0505 Email: ComplianceCTL-Mumbai@ctltrustee.com Investor Grievance Email: grievance@ctltrustee.com Website: www.catalysttrustee.com Contact Person: Umesh Salvi Compliance Officer: Rakhi Kulkari SEBI Registration No.: IND000000034 CIN: U74999PN1997PLC110262</p>

ISSUE PROGRAMME***

Tranche I Issue opens on: Tuesday, July 6, 2021

Tranche I Issue Closes on: Wednesday, July 28, 2021

* IIFL Securities Limited is deemed to be our associate as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue.

** Catalyst Trustee Limited under regulation 4(4) of SEBI Debt Regulations has by its letter dated May 28, 2021, given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in Offer Document and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to the Issue and the same is annexed as Annexure C in this Tranche I Prospectus.

***This Tranche I Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in this Tranche I Prospectus, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or the Finance Committee, thereof, subject to relevant approvals. In the event of an early closure or extension of the Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier or initial date of Tranche I Issue closure. On the Tranche I Issue Closing Date, the Application Forms will be accepted only between 10 a.m. to 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the Stock Exchanges. For further details please refer to our section titled "General Information" on page 18. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day after the Tranche I Issue Closing Date. For further details please refer to the section titled "Issue Related Information" on page 50.

A copy of the Shelf Prospectus and this Tranche I Prospectus has been filed with the Registrar of Companies, Maharashtra at Mumbai in terms of Sections 26 and 31 of Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details, please refer to the section titled "Material Contracts and Documents for Inspection" on page 110.

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

This Tranche I Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning ascribed to such definitions and abbreviations set forth herein. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Tranche I Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

The words and expressions used in this Tranche I Prospectus but not defined herein shall have, to the extent applicable, the same meaning ascribed to such words and expressions under the SEBI Debt Regulations, the Companies Act, 2013, the SCRA, the Depositories Act and the rules and regulations notified thereunder.

General Terms

Term	Description
“IIFL” or “Company” or “the Company” or “the Issuer” or “our Company”	IIFL Home Finance Limited (formerly known as India Infoline Housing Finance Limited), a company incorporated under the Companies Act, 1956, validly existing under Companies Act, 2013 and registered as a housing finance company with the NHB having its Registered Office at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate Thane – 400604, Maharashtra, India.
“we” or “us” or “our”	Unless the context otherwise requires, IIFL Home Finance Limited.

Company Related Terms

Term	Description
“Articles” or “Articles of Association” “AOA”	Articles of Association of our Company
Asset Liability Management Committee or ALCO	Asset Liability Management Committee of the Board of Directors
Associate Company or “SML”	Samasta Microfinance Limited
Audit Committee	Audit committee of the Board of Directors
“Auditors” or “Statutory Auditors”	The statutory auditors of the Company, M/s M.P. Chitale & Co., Chartered Accountants
“Board” or “Board of Directors” or “our Board” or “our Board of Directors”	Board of Directors of our Company or any duly constituted committee thereof.
Committee	A committee constituted by the Board, from time to time.
Corporate Social Responsibility Committee	Corporate Social Responsibility Committee of the Board of Directors
Corporate Office	The corporate office of our Company is at Plot No. 98, Udyog Vihar Phase – IV, Gurgaon – 122 015, India.
Credit Committee	Credit Committee as constituted by the Board of Directors
Directors	Directors of the Company
DSA	Direct Selling Agent
Equity Shares	Equity shares of the Company of face value of ₹ 10 each
Finance Committee	Finance committee as constituted by the Board of Directors
Independent Director(s)	The independent Director(s) on our Board, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013
IT Strategy Committee	IT strategy committee as constituted by the Board of Directors
KMP / Key Managerial Personnel	Key managerial personnel of our Company as disclosed in the Shelf Prospectus and appointed in accordance with Key Managerial Personnel, as defined under Section 2(51) of the Companies Act, 2013, as under: “key managerial personnel”, in relation to a company, means – i. the chief executive officer or the managing director or the manager; ii. the company secretary;

Term	Description
	iii. the whole-time director; iv. the chief financial officer; and v. such other officer not more than one level below the directors who is in whole-time employment designated as key managerial personnel by the Board; and such other officer as may be prescribed”
LAP	Loan Against Property
Loan Book	Loan book of the Company recording relevant entries of the secured and/or unsecured loans advanced by the Company
“Memorandum” or “MoA” or “Memorandum of Association”	Memorandum of Association of our Company
Nomination and Remuneration Committee	Nomination and Remuneration Committee of the Board of Directors
Net-worth	As defined in Sec 2(57) of the Companies Act, 2013, as follows: “Networth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.”
Preference Shares	Preference shares of the Company
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2 (1) (pp) of the SEBI ICDR Regulations, 2018.
“Promoter” or “our Promoter”	The promoter of our Company is IIFL Finance Limited (formerly known as IIFL Holdings Limited)
Reformatted Financial Statement under Ind AS	The Reformatted Statement of Assets and Liabilities of our Company as at March 31, 2021, March 31, 2020 and March 31, 2019 and the Reformatted Statement of profit and loss for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 and the Reformatted Statement of Cash Flows for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 and the Reformatted Statement of Changes in Equity for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 and the Statement of Significant Accounting Policies and notes forming part thereof. The audited financial statements as at and for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 form the basis for such Reformatted Financial Statement under Ind AS.
Reformatted Financial Statement under IGAAP	The reformatted statement of assets and liabilities of our Company as at March 31, 2018 and March 31, 2017 and the reformatted statement of profit and loss for the year ended March 31, 2018 and March 31, 2017 and the reformatted statement of cash flows for the year ended March 31, 2018 and March 31, 2017 and the Statement of Significant Accounting Policies and notes forming part thereof. The audited financial statements as at and for the year ended March 31, 2018 and March 31, 2017 form the basis for such Reformatted Financial Statement under Indian GAAP.
Reformatted Financial Statements	The Reformatted Financial Statements under Ind AS and the Reformatted Financial Statements under IGAAP
Registered Office	The registered office of our Company is at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400604, Maharashtra, India
Risk Management Committee	Risk Management Committee of the Board of Directors
RoC/Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai
Shareholders	The holders of the Equity Shares from time to time

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum containing salient features of the Shelf Prospectus and this Tranche

Term	Description
	I Prospectus
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment Advice	The communication sent to the Allottees conveying the details of Unsecured NCDs allotted to the Allottees in accordance with the Basis of Allotment
“Allotment”, “Allot” or Allotted	Unless the context otherwise requires, the allotment of Unsecured NCDs to the successful Applicants pursuant to the Issue
Allottee(s)	A successful Applicant to whom the Unsecured NCDs will be/have been allotted
“Applicant” or “Investor” or “Bidder” or “ASBA Applicant”	Any person who applies for issuance and Allotment of Unsecured NCDs through ASBA process or through UPI Mechanism pursuant to the terms of this Tranche I Prospectus, the Shelf Prospectus and Abridged Prospectus and the Application Form for any Tranche Issue
“ASBA” or “Application Supported by Blocked Amount” or “Application” or “ASBA Application” or “Bid”	An application (whether physical or electronic) to subscribe to the Unsecured NCDs offered pursuant to this Tranche I Issue by submission of a valid Application Form and authorising the relevant SCSB to block the Application Amount in the relevant ASBA Account or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of upto ₹ 2,00,000 which will be considered as the application for Allotment in terms of this Tranche I Prospectus .
Application Amount	The aggregate value of the Unsecured NCDs applied for, as indicated in the Application Form and the amount blocked in the ASBA Account
Application Form / ASBA Form / Bid cum Application Form	Form in terms of which an Applicant shall make an offer to subscribe to Unsecured NCDs through the ASBA process or through the UPI Mechanism and which will be considered as the application for Allotment of Unsecured NCDs in terms of this Tranche I Prospectus and the Shelf Prospectus
ASBA Account	A bank account maintained with a SCSB as specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value upto INR 2,00,000 as specified in the Application Form
ASBA Circular / Debt Application Circular	Circular no. CIR/DDHS/P/121/2018 issued by SEBI on August 16, 2018
Banker(s) to the Issue	Collectively Sponsor Bank, Public Issue Account Bank(s) and Refund Bank(s)
Base Issue Size	₹ 1,000 million
Basis of Allotment	The basis on which Unsecured NCDs will be allotted to applicants under this Tranche I Issue and which is described in “ <i>Issue Procedure – Basis of Allotment</i> ” on page 94.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such broker centres, along with the names and contact details of the Trading Members are available on the respective websites of the Stock Exchanges at www.nseindia.com and www.bseindia.com and updated from time to time.
Brickwork/BWR	Brickwork Ratings India Private Limited
Category I (Institutional Investors)	<ul style="list-style-type: none"> • Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds with a minimum corpus of ₹ 250 million, 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;

Term	Description
	<ul style="list-style-type: none"> • 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/ 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/private charitable/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); • Association of Persons; • Any other incorporated and/ or unincorporated body of persons
Category III (High Net Worth Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10,00,000 across all options of Unsecured NCDs in the Tranche I Issue
Category IV (Retail Individual Investors) or Retail Individual Bidder(s) or RIB(s) applying through UPI)	Retail individual investors, resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹10,00,000 across all options of Unsecured NCDs in this Tranche I Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in this Tranche I Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.
CIBIL	TransUnion CIBIL Limited
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications in the Issue, at the Designated CDP Locations in terms of the Debt ASBA Circular and Debt UPI Circular
Credit Rating Agencies	CRISIL and Brickwork
CRISIL	CRISIL Ratings Limited
Debentures / NCDs	A collective reference to Secured NCDs and/or Unsecured NCDs
Debenture Holder(s)/ NCD Holder(s)	The holders of the NCDs whose name appears in the database of the Depository and/or the register of NCD Holders (if any) maintained by our Company if required under applicable law.
Debenture Trust Deed	Trust deed to be entered into between the Debenture Trustee and our Company
Debenture Trustee/ Trustee	Trustees for the NCD holders in this case being Catalyst Trusteeship Limited
Debenture Trustee Agreement	Agreement dated June 16, 2021, entered into between the Debenture Trustee and the Company
Debt UPI Circular	Circular issued by SEBI on November 23, 2020 titled “Introduction of Unified Payments Interface (UPI) mechanism and Application through Online interface and Streamlining the process of Public issues of securities under - SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013, SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 and SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015” bearing reference

Term	Description
	number SEBI/HO/DDHC/CIR/P/2020/233 as amended from time-to-time.
Deemed Date of Allotment	The date on which the Board of Directors/or the Finance Committee approve the Allotment of the Unsecured NCDs for this Tranche I Issue or such date as may be determined by the Board of Directors/or the Finance Committee thereof and notified to the Stock Exchanges. The actual Allotment of Unsecured NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Unsecured NCDs including interest on Unsecured NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
Demographic Details	The demographic details of the Applicants such as their respective addresses, email, PAN, investor status, MICR Code, bank account detail and UPI ID, where applicable.
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34 or at such other websites as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the websites of the Stock Exchange at www.bseindia.com and www.nseindia.com
Designated Date	The date on which Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the Public Issue Account(s) or to the Refund Account, as appropriate, in terms of the Shelf Prospectus and this Tranche I Prospectus and the Public Issue Account and Sponsor Bank Agreement.
Designated Intermediaries	Collectively, the Lead Managers, the Syndicate Members/Lead Brokers, Trading Members, agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Application Forms from the Applicants in the Tranche I Issue In relation to ASBA applicants authorising an SCSB to block the amount in the ASBA Account, Designated Intermediaries shall mean SCSBs. In relation to ASBA applicants submitted by Retail Individual Investors where the amount was blocked upon acceptance of UPI Mandate Request using the UPI Mechanism, Designated Intermediaries shall mean the CDPs, RTAs, Lead Managers, Members of the Syndicate, Trading Members and Stock Exchange where applications have been submitted through the app/web interface as provided in the Debt UPI Circular
Designated RTA Locations	Such locations of the CRTAs where Applicants can submit the ASBA Forms to CRTAs, a list of which, along with names and contact details of the CRTAs eligible to accept ASBA Forms and Application Forms submitted using the UPI Mechanism as a payment option (for a maximum amount of INR 2,00, 000) are available on the website of the Stock Exchange.
Designated Stock Exchange	The designated stock exchange for the Issue, being the NSE Limited
Direct Online Application	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities with an online payment facility
Draft Shelf Prospectus	The draft shelf prospectus dated June 17, 2021, filed with BSE and NSE for receiving public comments and with, SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations
Interest / Coupon Payment Date	Please see the section titled “ <i>Terms of the Issue</i> ” on page 55.
Issue	Public issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each (“ Secured NCDs ”) and/or unsecured subordinated redeemable non-convertible debentures of the face value of ₹ 1000 each (“ Unsecured NCDs ”) (Secured NCDs and unsecured NCDs are collectively referred to as “ Debentures ” or “ NCDs ”) for an amount aggregating upto ₹ 50,000 million (“ Shelf Limit ”) (hereinafter referred to as the “ Issue ”), The Unsecured NCDs will be in the nature of subordinated debt and will be eligible for inclusion as Tier II Capital.
Issue Agreement	The Issue Agreement dated June 16, 2021, entered between the Company and the Lead Managers

Term	Description
Issue Period	The period between the Tranche I Issue Opening Date and the Tranche I Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms
Lead Broker Agreement	Agreement dated June 25, 2021 between our Company, the Lead Managers and the Lead Brokers.
Syndicate Members/Lead Brokers	Edelweiss Broking Limited, IIFL Securities Limited, ICICI Securities Limited, Trust Financial Consultancy Services Private Limited, Trust Securities Services Private Limited and Equirus Securities Private Limited
Lead Managers	Edelweiss Financial Services Limited, IIFL Securities Limited*, ICICI Securities Limited, Trust Investment Advisors Private Limited and Equirus Capital Private Limited *IIFL Securities Limited is deemed to be our associate as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (“ Merchant Bankers Regulations ”). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue.
Market Lot	One NCD
Maturity Amount or Redemption Amount	See section titled “ <i>Terms of the Issue</i> ” on page 55.
“Maturity Date” or “Redemption Date”	See section titled “ <i>Terms of the Issue</i> ” on page 55.
Mobile App(s)	The mobile applications listed on the website of Stock Exchanges as may be updated from time to time, which may be used by RIBs to submit Bids using the UPI Mechanism
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue
Offer Document(s)	The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Abridged Prospectus and/or the Application Form along with supplemental information, if any.
Public Issue Account	A bank account to be opened with the Bankers to the Issue to receive money from the ASBA Accounts on the Designated Date as specified under this Tranche I Prospectus
Public Issue Account and Sponsor Bank Agreement	Agreement dated June 25, 2021 entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, the Refund Bank and the Sponsor Bank and the Lead Managers for the appointment of the Sponsor Bank in accordance with the Debt UPI Circular for collection of the Application Amounts from ASBA Accounts and where applicable, refunds from the amounts collected from the Applicants on the terms and conditions thereof.
Public Issue Account Bank	ICICI Bank Limited
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 or such other date as may be determined by the Board of Directors and/or Finance Committee as constituted by the Board of Directors, from time to time in accordance with the applicable law. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of Unsecured NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company will be deemed as the Record Date.
Recovery Expense Fund	A fund which would be deposited by our Company with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹ 25,00,000.
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or

Term	Description
	any part of the Application Amount shall be made as specified in this Tranche I Prospectus
Refund Bank	ICICI Bank Limited
Register of NCD holders	The register of NCD holders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013 and by the Depositories in case of NCDs held in dematerialised form, and/or the register of NCD holders maintained by the Registrar
Registrar Agreement	Agreement dated June 16, 2021, entered into between the Issuer and the Registrar under the terms of which the Registrar has agreed to act as the Registrar to the Issue
Registered Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulation, 1992 and the stock exchanges having nationwide terminals, other than Syndicate and eligible to procure Applications from Applicants
Registrar to the Issue or Registrar	Link Intime India Private Limited
Resident Individual	An individual who is a person resident in India
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Application in the Issue
Secured NCDs	Secured Redeemable Non-Convertible Debentures of face value of ₹ 1,000 each
“Self-Certified Syndicate Banks” or “SCSBs”	The banks registered with SEBI, offering services in relation to ASBA and UPI, a list of which is available on the website of SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes for ASBA and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Series	Collectively the Series of NCD being offered to the Applicants as stated in the section “ <i>Issue Related Information</i> ” beginning on page 50.
Shelf Limit	The aggregate limit of the Issue, being ₹ 50,000 million to be issued under the Draft Shelf Prospectus through one or more Tranche Issues.
Shelf Prospectus	The Shelf Prospectus dated June 29, 2021 that shall be filed by our Company with the SEBI, BSE, NSE and the ROC in accordance with the provisions of the Companies Act 2013 and the SEBI Debt Regulations.
“Specified Cities” or “Specified Locations”	Bidding centres where the Consortium shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Sponsor Bank	The Banker to the Issue registered with SEBI, which has been appointed by our Company to act as a conduit between the Stock Exchanges and the National Payments Corporation of India in order to push the mandate collect requests and / or payment instructions of the retail individual investors into the UPI for retail individual investors applying through the app/web interface of the Stock Exchange(s) with a facility to block funds through UPI Mechanism for application value upto INR 2,00,000 and carry out any other responsibilities in terms of the Debt UPI Circular and for this Tranche I Issue being ICICI Bank Limited.
Stock Exchange(s)	BSE and NSE
Subordinated Debt	Subordinated Debt means a fully paid up instrument, which is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of a non-banking financial company. The book value of such instrument shall be subjected to discounting as provided hereunder: Remaining maturity of the instruments and rate of discount: <ul style="list-style-type: none"> • up to one year 100%; • more than one year but up to two years 80%; • more than two years but up to three years 60%; • more than three years but up to four years 40%; and • more than four years but up to five years 20% to the extent such discounted value does not exceed fifty per cent of Tier I capital.
Syndicate ASBA	Applications through the Syndicate or the Designated Intermediaries

Term	Description
Syndicate ASBA Application Locations	ASBA Applications through the Lead Managers, Syndicate Members/Lead Brokers, the Trading Members of the Stock Exchange or the Designated Intermediaries
Syndicate Bidding Centres	Syndicate Bidding Centres established for acceptance of Application Forms
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time
Tenor	Please see the section titled “ <i>Terms of the Issue</i> ” on page 55.
Trading Members	Intermediaries registered with a Lead Broker or a sub-broker under the SEBI (Stock Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges.
Tranche I Issue	Public Issue by the Company of unsecured subordinated redeemable non-convertible debentures of face value of ₹ 1,000 (Indian Rupees One Thousand) each (“ Unsecured NCDs ”) for an amount of ₹ 1,000 million (“ Base Issue Size ”) with an option to retain oversubscription up to ₹ 9,000 million amounting to ₹ 10,000 million (“ Tranche I Issue Limit ”) (“ Tranche I Issue ”) which is within the Shelf Limit of ₹ 50,000 million and is being offered by way of this Tranche I Prospectus dated June 29, 2021 containing inter alia the terms and conditions of Tranche I issue (“ Tranche I Prospectus ”), which should be read together with the Shelf Prospectus dated June 29 (“ Shelf Prospectus ”) filed with the registrar of companies, Mumbai, Maharashtra, (“ ROC ”), Stock Exchanges and Securities and Exchange Board of India (“ SEBI ”). The Shelf Prospectus and Tranche I Prospectus constitutes the prospectus (“ Prospectus ”). The Unsecured NCDs will be in the nature of subordinated debt and will be eligible for inclusion as Tier II Capital.
Tranche I Issue Closing Date	Wednesday, July 28, 2021
Tranche I Issue Opening Date	Tuesday, July 6, 2021
Tranche I Issue Period	The period between the Tranche I Issue Opening Date and the Tranche I Issue Closing Date inclusive of both days, during which prospective Applicants may submit their Application Forms.
Transaction Documents	Transaction documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus read with any notices, corrigenda, addenda thereto, Issue Agreement, Registrar Agreement, Debenture Trustee Agreement, Debenture Trust Deed, Tripartite Agreements executed or to be executed by our Company, as the case may be. For further details please see the section titled, “ <i>Material Contracts and Documents for Inspection</i> ” on page 110.
Tripartite Agreements	Tripartite Agreement dated September 9, 2010, entered into between our Company, the Registrar to the Issue and NSDL and Tripartite Agreement dated December 17, 2012 entered into between our Company, the Registrar to the Issue and CDSL for offering demat option to the NCD Holders.
“UPI” or “UPI Mechanism”	Unified Payments Interface mechanism in accordance with SEBI Circular no. SEBI/HO/DDHS/CIR/P/2020/233 dated November 23, 2020 as amended from time to time, to block funds for application value upto ₹ 2,00,000 submitted through intermediaries, namely the Registered Stock brokers, Registrar and Transfer Agent and Depository Participants.
UPI ID	Identification created on Unified Payment Interface (UPI) for single-window mobile payment system developed by the NPCI
“UPI Mandate Request” or “Mandate Request”	A request initiated by the Sponsor Bank on the Retail Individual Investor to authorise blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount and subsequent debit of funds in case of allotment.
UPI PIN	Password to authenticate UPI transaction
Unsecured NCDs	Unsecured, Subordinated, Redeemable, Non-Convertible debentures of a face value

Term	Description
	of ₹ 1,000 each and are not secured by any charge on the assets of IIHFL, which will be in the nature of Subordinated Debt and will be eligible for Tier II Capital and subordinate to the claims of all other creditors of the Company.
Unsecured Debenture Holder (s) / Unsecured NCD Holder(s)	The holders of the Unsecured NCDs whose name appears in the database of the Depository and/or the register of Unsecured NCD Holders (if any) maintained by our Company if required under applicable law.
Web Interface	Web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism
Wilful Defaulter	A Person or a company categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes a company whose director or promoter is categorized as such.
Working Days	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from the Tranche I Issue Closing Date to listing of the Unsecured NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai, as per the SEBI Circular CIR/DDHS/P/121/2018 dated August 16, 2018, however, with reference to payment of interest/redemption amount of Unsecured NCDs, Working Days shall mean those days wherein the money market is functioning in Mumbai.

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/Full Form
“₹”, “Rupees”, “Indian Rupees” or “Rs.”, “INR”	The lawful currency of the Republic of India
“US\$”, “USD”, and “U.S. Dollars”	The lawful currency of the United States of America
ACH	Automated Clearing House
AGM	Annual General Meeting
ALM	Asset Liability Management
AMC	Asset Management Company
AS or Accounting Standards	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
ASBA	Application supported by blocked amounts
AUM	Assets Under Management
Bankruptcy Code	The Insolvency and Bankruptcy Code, 2016
BSE	BSE Limited
CAGR	Compounded annual growth rate over a specified period of time of a given value (the year-over-year growth rate)
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act/ Companies Act, 2013	Companies Act, 2013 and the rules made thereunder
CPC	Code of Civil Procedure, 1908
CRAR	Capital to risk-weighted assets ratio means (Tier I Capital + Tier II Capital)/ Total Risk Weighted Assets *100
Depositories	CDSL and NSDL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number

Term/Abbreviation	Description/Full Form
“DP” or “Depository Participant”	Depository Participant as defined under the Depositories Act, 1996
DRR	Debenture Redemption Reserve
DT Circular	Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 issued by SEBI on November 3, 2020, as amended from time to time
EGM	Extraordinary General Meeting
Fair Practices Code	Fair Practices Code under RBI Master Directions
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FEMA Regulations / FEMA20 (R)	FEMA (Non-debt Instruments) Rules, 2019, as amended from time to time
FII	Foreign Institutional Investor(s)
FPI	Foreign Portfolio Investor as defined and registered under the SEBI (Foreign Portfolio Investors) Regulations, 2019, as amended from time to time.
“Financial Year”, “Fiscal” or “FY”	Period of 12 months ended March 31 of that particular year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
“Government”	Government of India
G-Sec	Government Securities
GST	Goods and Services Tax
HNI	High Net worth Individual
HFC	Housing Finance Company, in terms of the RBI Master Directions
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IEPF	Investor Education and Protection Fund
IFRS	International Financial Reporting Standards
“Income Tax Act” or “IT Act”	Income Tax Act, 1961
Ind AS	Indian Accounting Standards as referred to in and notified by the Ind AS Rules
Ind AS Rules	The Companies (Indian Accounting Standard) Rules, 2015, as amended
India	Republic of India
Indian GAAP	Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Amendment Rules, 2016
IRDAI	Insurance Regulatory and Development Authority of India
IT	Information Technology
ITR	Income Tax Returns
KYC	Know Your Customer
LLP	Limited Liability Partnership
LLP Act	Limited Liability Partnership Act, 2008
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic Ink Character Recognition
MLD	Market Linked Debentures
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NI Act	The Negotiable Instruments Act, 1881, as amended from time to time
NHB	National Housing Bank
NHB Act	National Housing Bank Act, 1987
NHB Act Amendments	Amendments to the NHB Act included in the Finance (No. 2) Act, 2019
NHB Directions	Master Circular - Housing Finance Companies (NHB) Directions, 2010 dated July 1, 2019, regulated by RBI Master Directions
NAV	Net Asset Value
NBFC	Non-Banking Financial Company, as defined under Section 45-IA of the RBI Act
NEFT	National Electronic Fund Transfer
NPA	Non-performing assets, in relation to the RBI Master Directions, shall have the meaning ascribed to it in the RBI Master Directions
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent Account Number

Term/Abbreviation	Description/Full Form
PAT	Profit After Tax
PCR	Provisioning Coverage Ratio
PP MLD	Principal Protected Market Linked Debentures
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RBI Master Directions	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021
RERA	Real Estate Regulatory Authority
RERAD Act	Real Estate Regulation and Development Act, 2016
RIBs	Retail Individual Bidders
RTGS	Real Time Gross Settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002
SBI	State Bank of India Limited
SCRA	Securities Contracts Regulation Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended and circulars issued thereunder
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992 as amended
Stage 1 Assets	Stage 1 Assets includes financial instruments that have not had a significant increase in credit risk (SICR) since initial recognition or that have low credit risk at the reporting date
Stage 1 Provision	Stage 1 provision are 12-month ECL resulting from default events that are possible within 12 months after the reporting date as defined under Ind AS
Stage 2 Assets	Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment
Stage 2 Provision	Stage 2 provision are lifetime ECL resulting from all default events that are possible over the expected life of the financial instrument as defined under Ind AS
Stage 3 Assets	Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date
Stage 3 Provision	Stage 3 provision are lifetime ECL resulting from all default events that are possible over the expected life of the financial instrument as defined under Ind AS
TDS	Tax Deducted at Source
Trademarks Act	Indian Trademarks Act, 1999

Technical and Industry Related Terms

Term/Abbreviation	Description/Full Form
BBA	Indian Bullion and Jewellers Association Limited, formerly known as Bombay Bullion Association Limited
Hybrid Debt	A capital instrument, which possesses certain characteristics of equity as well as debt
LTV	Ratio of loan to the collateral value
MFI	Microfinance institutions
NBFC-D	NBFC registered as a deposit accepting NBFC
NBFC-MFI	An NBFC-MFI is defined as a non-deposit taking NBFC which extends loans to Micro Finance Sector
NBFC-ND	NBFC registered as a non-deposit accepting NBFC

Term/Abbreviation	Description/Full Form
NBFC-ND-SI	Systemically important Non Deposit taking NBFC
NHB	National Housing Bank
NHB Act	The National Housing Bank Act, 1987
NHB Act Amendments	Amendments to the NHB Act included in the Finance (No. 2) Act, 2019
NOF	Net owned funds
Owned Funds	Paid-up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any
Prudential Norms	Prudential norms as provided under Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 dated February 17, 2021
MSME	Micro, Small and Medium Enterprises
Tier I Capital	Tier I capital means owned fund as reduced by investment in shares of other non-banking financial companies including housing finance companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund.
Tier II Capital	Tier-II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%;(c) general provisions (including that for standard assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; to the extent the aggregate does not exceed Tier-I capital

*Notwithstanding anything contained herein, capitalised terms that have been defined in the chapters titled “**Capital Structure**”, “**Regulations and Policies**”, “**History, Main Objects**”, “**Statement of Tax Benefits**”, “**Our Management**”, “**Financial Indebtedness**”, “**Outstanding Litigation and Defaults**” and “**Issue Procedure**” on pages 54, 135,111, 62, 114, 309,335 and 393 , respectively of the Shelf Prospectus will have the meanings ascribed to them in such sections of the Shelf Prospectus.*

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in this Tranche I Prospectus to “India” are to the Republic of India and its territories and possessions. All references to the Government or State Government are to Government of India, Central or State, as applicable.

Presentation of Financial Information

The current financial year of our Company commences on April 1 and ends on March 31 of the next year, so all references to particular “financial year”, “fiscal year” and “fiscal” or “FY”, unless stated otherwise, are to the 12 months period ended on March 31 of that year.

Our Company’s financial statements for the year ended March 31, 2021, March 31, 2020 and March 31, 2019 have been prepared in accordance with Ind AS.

Our Company’s financial statements for the year ended March 31, 2018 and March 31, 2017 have been prepared in accordance with Indian GAAP including the Accounting Standards notified under the Companies Act read with General Circular 15/2013 dated September 13, 2013 and/or General Circular 8/2014 dated April 4, 2014, as applicable.

With effect from April 01, 2018, as per the roadmap issued by the Ministry of Corporate Affairs for Non-Banking Financial Companies dated January 18, 2016, for financial reporting purposes, our Company has followed the Accounting Standards issued by the ICAI specified under Section 133 of the Companies Act, 2013, read with Rule 3 and/or Rule 7 of the Companies (Indian Accounting Standard) Rules, 2015 (“**Ind AS**”), as applicable.

The Reformatted Financial Statements under Ind AS and the Reformatted Financial Statements under IGAAP are included in the Shelf Prospectus and collectively referred to hereinafter as the “Reformatted Financial Statements”. The examination reports on the Reformatted Financial Statements as issued by our Company’s Statutory Auditor, M.P. Chitale & Co., are included in the Shelf Prospectus in the section titled “**Financial Statements**” beginning at page 144 of the Shelf Prospectus.

The financial data and numbers used in the Shelf Prospectus are under Ind AS and IGAAP, as specifically mentioned in the Shelf Prospectus and is not strictly comparable.

Unless stated otherwise or unless context requires otherwise, the financial data used in the Shelf Prospectus as at March 31, 2021, March 31, 2020 and March 31, 2019 is prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind As) notified under the Companies (Indian Accounting Standard) Rules, 2015 (as amended for time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by Section 133 of Companies Act, 2013.

Unless stated otherwise, the financial data used in the Shelf Prospectus is derived from our Company’s Reformatted Financial Statements as at and for the year ended March 31, 2018 and March 31, 2017, prepared in accordance with the Accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

Unless stated otherwise and unless the context requires otherwise, the financial data used in the Shelf Prospectus is on a standalone basis.

Any discrepancies in the tables included herein between the amounts listed and the totals thereof are due to rounding off.

Unless stated otherwise, macroeconomic and industry data used throughout the Shelf Prospectus has been obtained from publications prepared by providers of industry information, government sources and multilateral institutions. Such publications generally state that the information contained therein has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Issuer believes that industry data used in the Shelf Prospectus is reliable, it has not been independently verified. Further, the extent to which the market and industry data presented in the Shelf Prospectus is meaningful depends on the readers’ familiarity with and understanding of methodologies used in compiling such data.

The extent to which the market and industry data used in the Shelf Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. The methodologies and assumptions

may vary widely among different industry sources. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. Our Company has relied on the “NBFCs Report June 2021” issued by CRISIL Limited for industry related data that has been disclosed in the Shelf Prospectus. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors. While we have compiled, extracted and reproduced data from external sources, including third parties, trade, industry or general publications, we accept responsibility for accurately reproducing such data. However, neither we nor the Lead Managers have independently verified this data and neither we nor the Lead Managers make any representation regarding the accuracy of such data. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Lead Managers can assure potential investors as to their accuracy.

Currency and Unit of Presentation

In this Tranche I Prospectus, references to “₹”, “Indian Rupees”, “INR”, “Rs.”, “₹” and “Rupees” are to the legal currency of India, references to “US\$”, “USD”, and “U.S. dollars” are to the legal currency of the United States of America, as amended from time to time. Except as stated expressly, for the purposes of this Tranche I Prospectus, data will be given in INR or Indian Rupees in million.

Certain figures contained in this Tranche I Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources.

India has decided to adopt the “Convergence of its existing standards with IFRS” referred to as the “Indian Accounting Standards” or “Ind AS”. In terms of a notification released by the MCA, our Company is required to prepare its financial statements in accordance with Ind AS for accounting periods beginning on April 1, 2018.

There are significant differences between Indian GAAP and Ind AS. Our Company has not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

Industry and Market Data

Any industry and market data used in this Tranche I Prospectus consists of estimates based on data reports compiled by Government bodies, professional organizations and analysts, data from other external sources including CRISIL, available in the public domain and knowledge of the markets in which we compete. These publications generally state that the information contained therein has been obtained from publicly available documents from various sources believed to be reliable, but it has not been independently verified by us, its accuracy and completeness is not guaranteed and its reliability cannot be assured. Although we believe that the industry and market data used in this Tranche I Prospectus is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in this Tranche I Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Exchange Rates

The exchange rates (in INR) of the USD as for last five years are provided below:

Currency	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017
USD	73.50	75.39	69.17	65.04	64.84

Source: www.rbi.org.in and www.fbil.org.in.

In the event that March 31 of any of the respective years is a public holiday, the previous working day not being a public holiday has been considered.

Further, in case of specific provision in the loan agreement for a rate other than the RBI rate, the rate has been taken as prescribed as in the respective loan agreement.

FORWARD LOOKING STATEMENTS

Certain statements contained in this Tranche I Prospectus that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in this Tranche I Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- Any increase in the levels of non-performing assets (“NPA”) on our loan portfolio, for any reason; whatsoever, would adversely affect our business and results of operations;
- Any volatility in interest rates which could cause our gross spreads to decline and consequently affect our profitability;
- Unanticipated turbulence in interest rates or other rates or prices;
- Performance of the financial and capital markets in India and globally;
- Changes in the value of Rupee and other currency changes;
- Rate of growth of our Loan Book;
- Changes in Indian and/or foreign laws and regulations, including tax, accounting, banking, securities, insurance and other regulations; changes in competition and the pricing environment in India; and regional or general changes in asset valuations;
- Our inability to sustain growth or manage it effectively;
- Our inability to successfully diversify our portfolio;
- Any disruption in our sources of funding;
- Our inability to obtain or maintain statutory or regulatory approvals and licenses for conducting our business;
- Performance of, and the prevailing conditions affecting, the real estate market in India;
- Certain risks related to the business loans in India due to the category of borrowers that it services, which are not generally associated with other forms of lending;

For further discussion of factors that could cause our actual results to differ from our expectations, please refer to the section titled “*Risk Factors*”, “*Industry Overview*”, “*Outstanding Litigations and Statutory Defaults*” and “*Our Business*” beginning on pages 19, 71, 335 and 93, respectively of the Shelf Prospectus.

All forward-looking statements are subject to risks, uncertainties and assumptions about the Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. The forward-looking statements contained in this Tranche I Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of the Company’s underlying assumptions prove to be incorrect, Company’s actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements.

By their nature, certain market risk disclosures are only estimate(s) and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Neither our Company, Lead Managers nor any of its Directors and its officers, their respective affiliates or associates have any obligation, or intent to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI Debt Regulations, our Company, the Lead Managers will ensure that investors in India are informed of material developments between the date of filing the Shelf Prospectus and this Tranche I Prospectus with the ROC and the date of the Allotment.

SECTION II - INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated under the provisions of the Companies Act, 1956 on December 26, 2006, under the name of India Infoline Housing Finance Limited. Its name was changed to 'IIFL Home Finance Limited' pursuant to fresh certificate of incorporation dated May 02, 2018, issued by the Registrar of Companies, Maharashtra, Mumbai. It is registered with the NHB as housing finance company vide registration no. 09.0175.18 dated September 14, 2018. The NHB registration no. before change of name of IIFL Home Finance Limited was 02.0070.09 dated February 03, 2009. The IIFL Home Finance Limited has been notified as a financial institution under SARFAESI Act vide Government notification dated June 23, 2010.

For details of the business of our Company, see “*Our Business*” beginning on page 93 of the Shelf Prospectus.

Company Registration No.: 166475

CIN: U65993MH2006PLC166475

LEI: 335800XEJ73TV7NESI10

Permanent Account Number: AABCI6154K

Registered Office:

IIFL House, Sun Infotech Park,
Road No. 16V, Plot No. B-23,
Thane Industrial Area, Wagle Estate,
Thane – 400 604, Maharashtra, India
Tel.: +91 22 4103 5000
Fax: +91 22 4103 5000
Website: www.iifl.com/home-loans
Email: secretarialhfc@iifl.com

Corporate Office:

Plot No. 98, Udyog Vihar Phase – IV,
Gurgaon – 122 015, Haryana, India.
Tel.: + 91 124 4754 600
Website: www.iifl.com/home-loans
Email: secretarialhfc@iifl.com

For further details regarding changes to our Registered Office, see “*History and Main Objects*” beginning on page 93 of the Shelf Prospectus.

Registrar of Companies

100, Everest House
Marine Lines
Mumbai - 400 002, Maharashtra, India
Maharashtra, India

Chief Financial Officer:

Amit Kumar Gupta

Plot No. 98,
Udyog Vihar Phase – IV,
Gurgaon – 122 015, Haryana, India.
Tel.: + 91 124 4754 600
Email: iihfl.accounts@iifl.com

Company Secretary and Compliance Officer:

Ajay Jaiswal

Plot No. 98,
Udyog Vihar Phase – IV,
Gurgaon – 122 015, Haryana, India

Tel.: + 91 124 4754 600

Email: secretarialhfc@iifl.com

Investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related issues such as non-receipt of Allotment Advice, demat credit of allotted NCDs, refunds, non-receipt of debentures certificates (in case of NCDs which have been re-materialised), transfers, etc. as the case maybe.

All grievances relating to the Issue or this Tranche I Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of Unsecured NCDs applied for, amount paid on Application, Depository Participant, DP ID, Client ID, PAN and the Bidding Centre of the relevant members of the Lead Managers, brokers and sub-brokers appointed in relation to this Tranche I Issue (“**Syndicate**”) where the Application was submitted and ASBA Account number (for Bidders other than Retail Individual Investors bidding through the UPI mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of Retail Individual Investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of Unsecured NCDs applied for, amount blocked on Application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the Applicant.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

All grievances arising out of Applications for the Unsecured NCDs made through the Online Stock Exchanges Mechanism or through Trading Members of the Stock Exchanges may be addressed directly to the relevant Stock Exchange.

Lead Managers:

Edelweiss Financial Services Limited

Edelweiss House, Off CST Road

Kalina, Mumbai – 400 098

Maharashtra, India

Tel: +91 22 4086 3535

Fax: +91 22 4086 3610

Email: iihfl.ncd@edelweissfin.com

Investor Grievance Email: customerservice.mb@edelweissfin.com

Website: www.edelweissfin.com

Contact Person: Lokesh Singhi

Compliance Officer: Bhavana Kapadia

SEBI Registration No.: INM0000010650

CIN: L99999MH1995PLC094641

IIFL Securities Limited*

10th Floor, IIFL Centre,

Kamala Centre, Senapati Bapat Marg,

Lower Parel (West), Mumbai – 400 013

Maharashtra, India

Tel: +91 22 4646 4600

Fax: +91 22 2493 1073

Email: iiflhome.ncd@iiflcap.com

Investor Grievance Email: ig.ib@iiflcap.com

Website: www.iiflcap.com

Contact Person: Nishita Mody

Compliance Officer: Pawan Jain

SEBI Registration no.: INM000010940

CIN: L99999MH1996PLC132983

IIFL Securities Limited is deemed to be our associate as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (“Merchant Bankers Regulations**”). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue.*

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg,
Churchgate, Mumbai 400 020,
Maharashtra, India
Tel: +91 22 2288 2460
Fax: +91 22 2282 6580
Email: iiflhome.ncd@icicisecurities.com
Investor Grievance Email: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact person: Rupesh Khant
Compliance Officer: Ankit
SEBI Registration Number: INM000011179
CIN: L67120MH1995PLC086241

Trust Investment Advisors Private Limited

109/110, Balarama, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051,
Maharashtra, India
Tel: +91 22 4084 5000
Fax: +91 22 4084 5066
Email: projectdawn@trustgroup.in
Investor Grievance Email: customercare@trustgroup.in
Website: www.trustgroup.in
Contact Person: Hani Jalan
Compliance Officer: Brijmohan Bohra
SEBI Registration No.: INM000011120
CIN: U67190MH2006PTC162464

Equirus Capital Private Limited

12th Floor, C Wing, Marathon Futurex,
N.M. Joshi Marg, Lower Parel,
Mumbai 400 013, Maharashtra, India
Tel: + 91 22 4332 0700
Fax: + 91 22 4332-0750
Email: iiflhome.ncd@equirus.com
Investor Grievance Email: investorsgrievance@equirus.com
Website: www.equirus.com
Contact Person: Ankit Jain
Compliance Officer: Jyot Bhat
SEBI Registration No.: INM000011286
CIN: U65910MH2007PTC172599

Debenture Trustee:

Catalyst Trusteeship Limited (Formerly GDA Trusteeship Limited)

‘GDA House’ Plot No. 85,
Bhusari Colony (Right), Kothrud,
Pune – 411038, Maharashtra, India
Tel: + 91 22 4922 0555
Fax: + 91 22 4922 0505
Email: ComplianceCTL-Mumbai@ctltrustee.com
Investor Grievance Email: grievance@ctltrustee.com
Website: www.catalysttrustee.com

Contact Person: Umesh Salvi
Compliance Officer: Rakhi Kulkarni
SEBI Registration No: IND000000034
CIN: U74999PN1997PLC110262

Catalyst Trusteeship Limited has, pursuant to regulation 4(4) of SEBI Debt Regulations, by its letter dated May 28, 2021 given its consent for its appointment as Debenture Trustee to the Issue (hereinafter referred to as “**Trustees**”). A copy of letter from Catalyst Trusteeship Limited conveying their consent to act as Trustees for the Debenture holders is annexed as *Annexure C* to this Tranche I Prospectus.

All the rights and remedies of the Debenture Holders under the Issue shall vest in and shall be exercised by the appointed Debenture Trustee for the Issue without having it referred to the Debenture Holders. All investors under the Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for the Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case maybe, shall, from the time of making such payment, completely and irrevocably discharge our Company from any liability to the Debenture Holders. For details on the terms of the Debenture Trust Deed, please see “**Issue Related Information**” on page 50.

For details on the terms of the Debenture Trust Deed see, “**Issue Related Information**” beginning on page 50.

Lead Brokers to the Tranche I Issue

Edelweiss Broking Limited

2nd Floor, Office No. 201-203, Zodiac Plaza,
Xavier College Road, Off C G Road,
Ahmedabad – 380 009, Gujarat, India
Tel.: +91 79 4009 4400

E-mail: amit.dalvi@edelweissfin.com; prakash.boricha@edelweissfin.com

Investor Grievance E-mail Id: helpdesk@edelweiss.in

Website: www.edelweissfin.com

Contact Person: Amit Dalvi / Prakash Boricha

SEBI Number No.: INZ000005231

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg
Churchgate, Mumbai - 400 020
Maharashtra, India
Tel.: + 91 22 2277 7626

Email: rajat.rawal@icicisecurities.com

Investor Grievance Email: customercare@icicisecurities.com

Website: www.icicisecurities.com

Contact Person: Rajat Rawal

SEBI Registration No.: INZ000183631

IIFL Securities Limited

7th Floor, Ackruti Centre Point
Central Road, MIDC
Andheri (E), Mumbai 400 093
Maharashtra, India

Tel.: + 91 22 3929 4000/4103 5000

Fax: + 91 22 2580 6654

Email: cs@iifl.com

Investor Grievance Email: cs@iifl.com

Website: www.indainfoline.com

Contact Person: Sandeep Bhardwaj

SEBI Registration No.: INZ000164132

Equirus Securities Private Limited

A2102 B, 21st Floor,

A Wing, Marathon Futurex,

N.M. Joshi Marg, Lower Parel,

Mumbai - 400 013, Maharashtra, India

Tel.: + 91 22 6190 9561

Fax: +91 22 6190 0560

Email: jay.soni@equirus.com

Investor Grievance Email: admin_equities@equirus.com

Website: www.equirus.com

Contact Person: Jay Soni

SEBI Registration No: INZ000251536

Trust Financial Consultancy Services Private Limited

1101, Naman Centre,

G Block, C-31, Bandra Kurla Complex,

Bandra (East), Mumbai-400 051

Tel.: + 91 22 4084 5000

Fax: + 91 22 4084 5066

Email: pranav.inamdar@trustgroup.in; projectdawn@trustgroup.in

Investor Grievance Email ID: grievances@trustgroup.in

Website: www.trustgroup.in

Contact Person: Mr. Pranav Inamdar

SEBI Registration Number: INZ000238639

Trust Securities Services Private Limited

1202, Naman Centre,

G Block, C-31, Bandra Kurla Complex, Bandra (East), Mumbai-400 051

Tel.: + 91 22 4084 5000

Fax: + 91 22 4084 5066

Email: parth.maniar@trustgroup.in; projectdawn@trustgroup.in

Investor Grievance Email ID: grievances@trustgroup.in

Website: www.trustgroup.in

Contact Person: Mr. Parth Maniar

SEBI Registration Number: INZ000158031

Registrar to the Issue**Link Intime India Private Limited**

C-101, 247 Park, L.B.S. Marg,

Vikhroli (West), Mumbai 400 083

Tel.: + 91 22 4918 6200

Fax: + 91 22 4918 6195

Email: iiflhome.ncd@linkintime.co.in

Investor Grievance Email: iiflhome.ncd@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Shanti Gopalkrishnan

Compliance Officer: B N Ramakrishnan

SEBI Registration No: INR000004058

CIN: U67190MH1999PTC118368

Link Intime India Private Limited, has by its letter dated June 7, 2021, given its consent for its appointment as Registrar to the Issue and for its name to be included in the Draft Shelf Prospectus, Shelf Prospectus and / or this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to the Issue.

Statutory Auditors

M.P. Chitale & Co.

1st Floor, Hamam House,
Ambalal Doshi Marg,
Fort, Mumbai – 400 001
Maharashtra, India
Tel.: +91 22 2265 1186
Email: harnish.shah@mpchitale.com
Membership No: 145160
Firm Registration No: 101851W
Contact Person: Harnish Shah

M.P. Chitale & Co. has been the statutory auditors of our Company since June 7, 2020.

Credit Rating Agency**CRISIL Ratings Limited**

CRISIL House, Central Avenue,
Hiranandani Business Park, Powai,
Mumbai – 400 076, Maharashtra, India
Tel: +91 22 3342 3000 (B)
Fax: +91 22 3342 3050
Email: crisilratingdesk@crisil.com
Website: www.crisilratings.com
Contact Person: Krishnan Sitaraman
SEBI Registration No: IN/CRA/001/199
CIN: U67100MH2019PLC326247

Brickwork Ratings India Private Limited

3rd Floor, Raj Alkaa Park,
Kalena Agrahara, Bannerghatta Road,
Bengaluru – 560076, Karnataka, India
Tel: +91 80404 09940
Email: CO@brickworkratings.com
Website: www.brickworkratings.com
Contact Person: Ajanth Kumar
SEBI Registration No: IN/CRA/005/2008
CIN: U67190KA2007PTC043591

Industry Report**CRISIL Limited**

CRISIL House, Central Avenue,
Hiranandani Business Park, Powai,
Mumbai - 400 076, Maharashtra, India
Tel: +91 22 3342 3000
Fax: +91 22 3342 3050
Website: www.crisil.com
SEBI Registration No: IN/CRA/001/1999

Disclaimer Clause of CRISIL Limited (Industry Report)

CRISIL Research, a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this Report based on the information obtained by CRISIL from sources which it considers reliable (Data). However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Data / Report and is not responsible for any errors or omissions or for the results obtained from the use of Data / Report. This Report is not a recommendation to invest / disinvest in any company covered in the Report. CRISIL especially states that it has no financial liability whatsoever to the subscribers/ users/ transmitters/ distributors of this Report. CRISIL Research operates independently of and does not have access to information obtained by CRISIL's Ratings Division / CRISIL Risk and Infrastructure Solutions Limited (CRIS), which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL

Research and not of CRISIL's Ratings Division / CRIS. No part of this Report may be published / reproduced in any form without CRISIL's prior written approval.

Credit Rating and Rationale

The Unsecured NCDs proposed to be issued under the Issue have been rated "CRISIL AA/Stable" (pronounced as CRISIL double A rating with stable outlook) for an amount of ₹ 50,000 million by CRISIL Ratings Limited vide their rating letter dated June 11, 2021 and BWR AA+/ Negative (Assigned) (pronounced as "BWR Double A plus with Negative outlook") for an amount of ₹50,000 million by Brickwork Ratings India Private Limited vide their rating letter dated June 11, 2021. The aforesaid rating indicates that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please refer to *Annexures A and B* of this Tranche I Prospectus for the rationale of the above ratings.

Disclaimer clause of CRISIL Ratings Limited (Credit Rating Agency)

CRISIL Ratings Limited (CRISIL Ratings) has taken due care and caution in preparing the Material based on the information provided by its client and / or obtained by CRISIL Ratings from sources which it considers reliable (Information). A CRISIL Ratings' rating reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL Ratings. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL Ratings' rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL Ratings especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as CRISIL Ratings providing or intending to provide any services in jurisdictions where CRISIL Ratings does not have the necessary permission and/or registration to carry out its business activities in this regard. IIFL Home Finance will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India. Current rating status and rating criteria by CRISIL Ratings are available without charge to the public on the CRISIL Ratings web site, www.crisilratings.com. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at 1800-267-1301.

Disclaimer clause of Brickwork Ratings Private Limited (Credit Rating Agency)

Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India (SEBI) registered Credit Rating Agency and accredited by the Reserve Bank of India (RBI), offers credit ratings of Bank Loan facilities, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitization Products, Municipal Bonds, etc. (hereafter referred to as "Instruments"). BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.

BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR's best judgement are considered reliable.

The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR's opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgement obtained from the user's financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating

Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR's ratings reflect BWR's opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, "**BWR Party**") guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, www.brickworkratings.com. More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.

Legal Counsel to the Issue

Khaitan & Co.

One World Centre
10th & 13th Floor, Tower 1C,
841 Senapati Bapat Marg,
Mumbai – 400 013, Maharashtra, India
Tel: +91 22 6636 5000
Fax: +91 22 6636 5050
Website: www.khaitanco.com

Bankers to our Company

Axis Bank Limited

Ground Floor, Jeevan Prakash Building,
Sir P M Road, Fort, Mumbai – 400 001,
Maharashtra, India.
Tel: +91 22 4086 7371/7335
Fax: +91 22 40867327
Email: amit.retharekar@axisbank.com/
ryan.moraes@axisbank.com
Contact Person: Amit Retharekar / Ryan Moraes
Website: www.axisbank.com
CIN: L65110GJ1993PLC020769

IDFC First Bank

Naman Chambers,
C-32, G Block,
Bandra (E), Mumbai – 400 051
Maharashtra, India.
Tel: +91 22 7132 5659
Email: saumya.wahi@idfcfirstbank.com
Contact Person: Saumya Wahi Narang
Website: www.idfcfirstbank.com
CIN: L65110TN2014PLC097792

RBL Bank Limited

One Indiabulls Centre, Tower 2B, 6th Floor,
841 Senapati Bapat Marg, Lower Parel,
Mumbai – 400 013, Maharashtra, India.

Tel: +91 99204 35898

Email: Manan.mehta@rblbank.com

Contact Person: Manan Mehta

Website: www.rblbank.com

CIN: L65191PN1943PLC007308

HDFC Bank Ltd.

HDFC Bank Ltd., Zenith House, 2nd Floor,
Opposite Mahalaxmi Race Course, Mahalaxmi,
Mumbai – 400 034, Maharashtra, India.

Tel: +91 22 3976 0546

Email: xerses.davar@hdfcbank.com

Contact Person: Xerses Davar

Website: www.hdfcbank.com

CIN: L65920MH1994PLC080618

Public Issue Account Bank, Refund Bank and Sponsor Bank**ICICI Bank Limited**

Capital Market Division, 1st Floor,
122, Mistry Bhavan, Dinshaw Vachha Road,
Backbay Reclamation, Churchgate,
Mumbai – 400 020

Telephone: +91 22 6681 8911/23/24

Fax: +91 22 2261 1138

Email: kmr.saurabh@icicibank.com

Website: www.icicibank.com

Contact Person: Saurabh Kumar

SEBI Registration Number: INBI00000004

Impersonation

As a matter of abundant precaution, attention of the investors is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, relating to punishment for fictitious applications. Section 38(1) of the Companies Act, 2013 provides that:

“Any person who —

- a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 0.10 crore or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 0.10 crore or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 0.50 crore or with both.

Underwriting

The Issue is not underwritten.

Arrangers to the Issue

There are no arrangers to the Issue.

Expert Opinion

Except for the following, our Company has not obtained any expert opinions in connection with this Tranche I Prospectus:

Our Company has received consent from statutory auditor namely M/s M.P Chitale & Co. to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 read with SEBI Debt Regulations in this Tranche I Prospectus and as 'expert' as defined under Section 2(38) of the Companies Act, 2013 to the extent and in their capacity as a current Statutory Auditor and in respect of their (i) examination report dated June 15, 2021 on our Reformatted Financial Statements under Ind AS, (ii) examination report dated June 15, 2021 on our Reformatted Financial Statements under IGAAP; and (iii) the statement of tax benefits and such consent has not been withdrawn as on the date of this Tranche I Prospectus .

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size (i.e. ₹ 750 million). If our Company does not receive the minimum subscription of 75% of Base Issue Size (i.e. ₹ 750 million), prior to the Tranche I Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within six working days from the Tranche I Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Account(s) of the Applicants within 6 working days from the Tranche I Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Self-Certified Syndicate Bank

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA and UPI Mechanism process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and <https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40> respectively as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms and UPI Mechanism through app/web interface from the Designated Intermediaries, refer to the above-mentioned link.

In relation to Bids submitted under the ASBA process to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms from the members of the Syndicate is available on the website of SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Locations, see the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Self-Certified Syndicate Banks eligible as Issuer Banks for UPI

The list of SCSBs through which Bids can be submitted by RIBs using the UPI Mechanism, including details such as the eligible Mobile Apps and UPI handle which can be used for such Bids, is available on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>, which may be updated from time to time or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Applications submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of ASBA Forms and Application Forms where investors have opted for payment via UPI Mechanism from the members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time or any such other website as may be prescribed by SEBI from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012, and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including

details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CRTAs / CDPs

The list of the CRTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of the NSE and BSE for CRTAs and CDPs, as updated from time to time.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds, please see, “*Objects of this Tranche I Issue*” on page 30.

Tranche I Issue Programme

TRANCHE I ISSUE PROGRAMME*	
Tranche I Issue Opens on	Tuesday, July 6, 2021
Tranche I Issue Closes on	Wednesday, July 28, 2021

* The Tranche I 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 Tranche I Issue may close on such earlier date or extended date as may be decided by the Board or the Finance Committee of the Board of Directors of our Company. In the event of an early closure or extension of the Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper on or before such earlier or extended date of Tranche I Issue Closure. On the Tranche I Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE and NSE.

Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 pm on one Working Day after the Tranche I Issue Closing Date. For further details please refer to the chapter titled “**Issue Related Information**” on page 50.

Further please note that Application Forms for the Tranche I Issue shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time, “**IST**”) (“**Bidding Period**”) during the Tranche I Issue Period as mentioned above by the (a) by the Designated Intermediaries at the Bidding Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs as mentioned on the Application Form, except that on the Tranche I Issue Closing Date when Applications shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and shall be uploaded until 5.00 p.m. (IST) or such extended time as permitted by Stock Exchange(s). It is clarified that the Applications not uploaded in the Stock Exchange(s) Platform would be rejected.

Due to limitation of time available for uploading the Applications on the Tranche I Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Tranche I Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Tranche I Issue Closing Date. All times mentioned in this Tranche I Prospectus are Indian Standard Time. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time.

Such Applications that cannot be uploaded will not be considered for allocation under the Tranche I Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday). Neither our Company, nor the Lead Managers, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of investors, the Basis of Allotment under this Tranche I Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

MATERIAL DEVELOPMENTS

The following material developments have taken place in the Company since March 31, 2021, till the date of filing this Tranche I Prospectus :

Resignation of Ms. Suvalaxmi Chakraborty, Independent Director

Ms. Suvalaxmi Chakraborty, Independent Director of the Company has resigned to pursue other opportunities. Her resignation was communicated through a resignation notice dated June 15, 2021, to the Board of Directors of the Company.

To the best of the knowledge and in the opinion of the Board of Directors, save and except disclosed elsewhere in this Tranche I Prospectus ,

- (a) there have arisen no circumstances that materially or adversely affect the operations or financial condition or profitability of the Company or the value of its assets or its ability to pay out material liabilities over the next 12 months; or
- (b) any material event / development or change having implications on the business of the Company at the time of Issue which may affect the Issue or investor's decision to invest or continue to invest in the Tranche I Issue.

OBJECTS OF THIS TRANCHE I ISSUE

Tranche I Issue Proceeds

Public Issue by the Company of unsecured subordinated redeemable non-convertible debentures of face value of ₹ 1,000 (Indian Rupees One Thousand) each (“**Unsecured NCDs**”) for an amount of ₹ 1,000 million (“**Base Issue Size**”) with an option to retain oversubscription up to ₹ 9,000 million amounting to ₹ 10,000 million (“**Tranche I Issue Limit**”) (“**Tranche I Issue**”) which is within the Shelf Limit of ₹ 50,000 million and is being offered by way of this Tranche I Prospectus dated June 29, 2021 containing inter alia the terms and conditions of Tranche I Issue (“**Tranche I Prospectus**”), which should be read together with the Shelf Prospectus dated June 29, 2021 (“**Shelf Prospectus**”).

The following table details the objects of the Tranche I Issue and the amount proposed to be financed from Net Proceeds:

Sr. No.	Objects of the Tranche I Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing, and for repayment /prepayment of interest and principal of existing borrowings of our Company [#]	At least 75%
2.	General Corporate Purposes*	Maximum of up to 25%
Total		100%

[#]The Company shall not utilize the proceeds of this Tranche I Issue towards payment of prepayment penalty, if any.

*The Net Proceeds will be first utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in the Issue, in compliance with the SEBI Debt Regulations.

The main objects clause of the Memorandum of Association of the Company permits the Company to undertake its existing activities as well as the activities for which the funds are being raised through the Tranche I Issue.

The Unsecured NCDs will be in the nature of Subordinated Debt and will be eligible for Tier II Capital and accordingly will be utilised in accordance with statutory and regulatory requirements including requirements of RBI.

The details of the proceeds of this Tranche I Issue are summarized below:

(₹ in million)

Particulars	Estimated amount
Gross proceeds of the Tranche I Issue	10,000.00
Less: Tranche I Issue related expenses*	309.95
Net Proceeds of the Tranche I Issue after deducting the Tranche I Issue related expenses	9,690.05

* The above Issue related expenses are indicative and are subject to change depending on the actual level of subscription to the Issue, the number of allottees, market conditions and other relevant factors.

Purpose for which there is a requirement of funds

As stated in this section.

Funding Plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Monitoring of utilization of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of the Tranche I Issue. Our Company will disclose in our Company’s financial statements for the relevant financial year commencing from Fiscal 2022, the utilisation of the

proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Tranche I Issue. Our Company shall utilize the proceeds of the Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchanges.

General Corporate Purposes

Our Company intends to deploy up to 25% of the amount raised and allotted in the Tranche I Issue for general corporate purposes, including but not restricted to routine capital expenditure, renovations, strategic initiatives, meeting any expenditure in relation to our Company as well as meeting exigencies which our Company may face in the ordinary course of business, or any other purposes as may be approved by the Board of Directors.

Tranche I Issue expenses

A portion of this Tranche I Issue proceeds will be used to meet Issue expenses. The following are the estimated Issue expenses:

Particulars	Amount (₹ in million)	As percentage of Tranche I Issue proceeds (in %)	As percentage of total expenses of the Tranche I Issue (in %)
Fee Payable to Intermediaries including Registrar to the Issue and Debenture Trustees	9.45	0.09%	3.05%
Lead Managers Fee, Selling and Brokerage Commission, SCSB Processing Fee	279.00	2.79%	90.01%
Advertising and Marketing, Printing and Stationery Costs	19.00	0.19%	6.13%
Other Miscellaneous Expenses	2.50	0.03%	0.81%
Grand Total	309.95	3.10%	100.00%

The above expenses are indicative and are subject to change depending on the actual level of subscription to the Tranche I Issue and the number of Allottees, market conditions and other relevant factors.

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Managers/ Members of the Syndicate/ Sub- Members of the Syndicate /Brokers / Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of INR 15 per Application Form procured (inclusive of GST and other applicable taxes). However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee. Further, our Company shall pay the Sponsor Bank ₹8 for every valid Application that is blocked. The payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by the Company with the Designated Intermediaries/Sponsor Bank.

Interim use of proceeds

Our Management will have the flexibility in deploying the proceeds received from the Tranche I Issue. Pending utilization of the proceeds out of the Issue for the purposes described above. Our Company intends to temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities. Such investment would be in accordance with the investment policies approved by the Board or any committee thereof from time to time.

Augment our capital base

We are a housing finance company in India and are registered with the NHB and are a notified financial institution under the SARFAESI Act. We focus on providing affordable housing finance products for the economically weaker sections and lower income segments in India and cater to both salaried and self-employed borrowers.

As per the RBI Master Directions, we are required to maintain a minimum capital adequacy ratio, consisting of Tier I capital and Tier II capital. Regulation 6 of the RBI Master Directions currently requires all HFCs to comply with a CRAR, consisting of Tier I and Tier II capital of not less than 13% of its aggregate risk weighted assets and of risk adjusted value of off-balance sheet items, on or before March 31, 2020, 14% on or before March 31, 2021 and 15% on or before March 31, 2022 and thereafter. At a minimum, Tier I capital of an HFC cannot be less than 10%. Further, we are required to ensure that the total Tier II capital at any point of time, should not exceed 100% of Tier – I capital.

As of March 31, 2021, our Company's CRAR - Tier I capital, in accordance with the Reformatted Financial Statements was 19.61%. The Net Proceeds are proposed to be utilized for increasing our capital base, which will be utilized towards our Company's business and growth including towards onwads lending, payment of operating expenditure, purchase of assets and repayment of outstanding loans and interest thereon as part of our business activities. We anticipate that the Net Proceeds will be sufficient to satisfy our Company's Tier- I capital requirements for Fiscal 2022.

The Net Proceeds will be utilised to increase our Company's Tier I capital base to meet our future capital requirements which are expected to arise out of growth of our business and assets and to ensure compliance with the NHB Directions.

Other Confirmations

In accordance with the SEBI Debt Regulations, our Company will not utilize the proceeds of the Tranche I Issue for providing loans to or acquisition of shares of any person or company who is a part of the same group as our Company or who is under the same management as our Company.

Proceeds from the Tranche I Issue shall not be utilised towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property.

No part of the proceeds from the Tranche I Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel, or companies promoted by our Promoter.

No part of the proceeds from the Tranche I Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company. Further our Company undertakes that Issue proceeds from Unsecured NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.

Our Company confirms that it will not use the proceeds from the Tranche I Issue for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to the capital or profit or losses or both in such business exceeding 50% thereof, the acquisition of any immovable property or acquisition of securities of any other body corporate.

Variation in terms of contract or objects in Tranche I Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Tranche I Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act, 2013.

Benefit / interest accruing to Promoter/Directors out of the object of the Issue

Neither our Promoter nor the Directors of our Company are interested in the Objects of this Tranche I Issue.

OTHER REGULATORY AND STATUTORY DISCLOSURE

Authority for the Issue

Our Board of Directors in its meeting held on June 6, 2020, approved raising of funds through issuance of debentures by way of a public issue for an overall limit aggregating to ₹ 50,000 million. Pursuant to such resolution, the present issue through the Shelf Prospectus of Secured NCDs of face value of ₹1,000 each and/or Unsecured NCDs ₹1,000, aggregating up to ₹ 50,000 million (“**Shelf Limit**”), hereinafter called the “Issue” is approved by the Finance Committee of our Board of Directors in its meeting dated June 17, 2021.

Further, the present borrowing is within the borrowing limits of ₹ 1,90,000 million under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders vide their resolution dated November 12, 2018.

Prohibition by SEBI

Our Company, persons in control of our Company and/or our Promoter and/or our Directors have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. Further, no member of our promoter group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

Wilful Defaulter

Our Company and/or our Directors and/or our Promoters have not been categorised as a wilful defaulter by the RBI, ECGC, any government/regulatory authority and/or by any bank or financial institution nor are they in default of payment of interest or repayment of principal amount in respect of debt securities issued to the public, for a period of more than six months.

Disclaimer clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, EDELWEISS FINANCIAL SERVICES LIMITED, IIFL SECURITIES LIMITED*, ICICI SECURITIES LIMITED TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND EQUIRUS CAPITAL PRIVATE LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, EDELWEISS FINANCIAL SERVICES LIMITED, IIFL SECURITIES LIMITED*, ICICI SECURITIES LIMITED, TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND EQUIRUS CAPITAL PRIVATE LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 29, 2021, WHICH READS AS FOLLOWS:

- 1. WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTERS OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE OFFER DOCUMENT HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY;**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUE OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE UNSECURED NCDs OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC**

NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE WILL BE GIVEN;

- 3. WE CONFIRM THAT THE PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AS AMENDED;**
- 4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED AND TO THE EXTENT NOTIFIED, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.**

**IIFL Securities Limited is deemed to be associate of Issuer as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue.*

WE CONFIRM THAT NO COMMENTS/ COMPLAINTS WERE RECEIVED ON THE DRAFT SHELF PROSPECTUS DATED JUNE 17, 2021 FILED WITH THE BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED. THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED IS THE DESIGNATED STOCK EXCHANGE FOR THE ISSUE.

Disclaimer clause of NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN VIDE ITS LETTER REF.: NSE/LIST/D/2021/0061 DATED JUNE 24, 2021 PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID PERMISSION GIVEN BY NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; NOR DOES IT WARRANT THAT THIS ISSUER'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS ISSUER. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY SECURITIES OF THIS ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION /ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

Disclaimer clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN VIDE ITS LETTER REF.: DCS/BM/PI-BOND/006/21-22 DATED JUNE 24, 2021, PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS THE STOCK EXCHANGE ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

- A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR**
- B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR**

C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

AND IT SHOULD NOT FOR ANY REASON BE DEEMED OR CONSTRUED THAT THIS OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE EXCHANGE. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRES ANY SECURITIES OF THIS COMPANY MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR FOR ANY OTHER REASON WHATSOEVER.

Disclaimer Clause of the NHB

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED SEPTEMBER 14, 2018, ISSUED BY THE NATIONAL HOUSING BANK UNDER SECTION 29A OF THE NATIONAL HOUSING BANK ACT, 1987. IT MUST BE DISTINCTLY UNDERSTOOD THAT THE ISSUING OF THIS CERTIFICATE AND GRANTING A LICENSE AND APPROVAL BY NHB IN ANY OTHER MATTER SHOULD NOT IN ANY WAY, BE DEEMED OR CONSTRUED TO BE AN APPROVAL BY NHB TO THIS TRANCHE I PROSPECTUS NOR SHOULD IT BE DEEMED THAT NHB HAS APPROVED IT.

HOWEVER, THE NHB DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF OUR COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/ DISCHARGE OF LIABILITY BY THE COMPANY.

Disclaimer Statement of CRISIL Limited

THIS DISCLAIMER FORMS PART OF AND APPLIES TO EACH CREDIT RATING REPORT AND/OR CREDIT RATING RATIONALE (EACH A "REPORT") THAT IS PROVIDED BY CRISIL RATINGS LIMITED (HEREINAFTER REFERRED TO AS "CRISIL RATINGS"). FOR THE AVOIDANCE OF DOUBT, THE TERM "REPORT" INCLUDES THE INFORMATION, RATINGS AND OTHER CONTENT FORMING PART OF THE REPORT. THE REPORT IS INTENDED FOR THE JURISDICTION OF INDIA ONLY. THIS REPORT DOES NOT CONSTITUTE AN OFFER OF SERVICES. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NOTHING IN THE REPORT IS TO BE CONSTRUED AS CRISIL RATINGS PROVIDING OR INTENDING TO PROVIDE ANY SERVICES IN JURISDICTIONS WHERE CRISIL RATINGS DOES NOT HAVE THE NECESSARY LICENSES AND/OR REGISTRATION TO CARRY OUT ITS BUSINESS ACTIVITIES REFERRED TO ABOVE. ACCESS OR USE OF THIS REPORT DOES NOT CREATE A CLIENT RELATIONSHIP BETWEEN CRISIL RATINGS AND THE USER.

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EXPERIENCE OF THE USER, ITS MANAGEMENT, EMPLOYEES, ADVISORS AND/OR CLIENTS WHEN MAKING INVESTMENT OR OTHER BUSINESS DECISIONS. THE RECIPIENTS OF THE REPORT SHOULD RELY ON THEIR OWN JUDGMENT AND TAKE THEIR OWN PROFESSIONAL ADVICE BEFORE ACTING ON THE REPORT IN ANY WAY. CRISIL RATINGS OR ITS ASSOCIATES MAY HAVE OTHER COMMERCIAL TRANSACTIONS WITH THE COMPANY/ENTITY.

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RATING CRITERIA BY CRISIL RATINGS ARE GENERALLY AVAILABLE WITHOUT CHARGE TO THE PUBLIC ON THE CRISIL RATINGS PUBLIC WEB SITE, WWW.CRISIL.COM. FOR LATEST RATING INFORMATION ON ANY INSTRUMENT OF ANY COMPANY RATED BY CRISIL RATINGS YOU MAY CONTACT CRISIL RATING DESK AT CRISILRATINGDESK@CRISIL.COM, OR AT (0091) 1800 267 1301.

THIS REPORT SHOULD NOT BE REPRODUCED OR REDISTRIBUTED TO ANY OTHER PERSON OR IN ANY FORM WITHOUT A PRIOR WRITTEN CONSENT OF CRISIL RATINGS.

Disclaimer Statement of Brickwork Ratings Private Limited

BRICKWORK RATINGS INDIA PVT. LTD. (BWR), A SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) REGISTERED CREDIT RATING AGENCY AND ACCREDITED BY THE RESERVE BANK OF INDIA (RBI), OFFERS CREDIT RATINGS OF BANK LOAN FACILITIES, NON- CONVERTIBLE / CONVERTIBLE / PARTIALLY CONVERTIBLE DEBENTURES AND OTHER CAPITAL MARKET INSTRUMENTS AND BONDS, COMMERCIAL PAPER, PERPETUAL BONDS, ASSET-BACKED AND MORTGAGE-BACKED SECURITIES, PARTIAL GUARANTEES AND OTHER STRUCTURED / CREDIT ENHANCED DEBT INSTRUMENTS, SECURITY RECEIPTS, SECURITIZATION PRODUCTS, MUNICIPAL BONDS, ETC.

(HEREAFTER REFERRED TO AS "INSTRUMENTS"). BWR ALSO RATES NGOS, EDUCATIONAL INSTITUTIONS, HOSPITALS, REAL ESTATE DEVELOPERS, URBAN LOCAL BODIES AND MUNICIPAL CORPORATIONS.

BWR WISHES TO INFORM ALL PERSONS WHO MAY COME ACROSS RATING RATIONALES AND RATING REPORTS PROVIDED BY BWR THAT THE RATINGS ASSIGNED BY BWR ARE BASED ON INFORMATION OBTAINED FROM THE ISSUER OF THE INSTRUMENT AND OTHER RELIABLE SOURCES, WHICH IN BWR'S BEST JUDGEMENT ARE CONSIDERED RELIABLE.

THE RATING RATIONALE / RATING REPORT & OTHER RATING COMMUNICATIONS ARE INTENDED FOR THE JURISDICTION OF INDIA ONLY. THE REPORTS SHOULD NOT BE THE SOLE OR PRIMARY BASIS FOR ANY INVESTMENT DECISION WITHIN THE MEANING OF ANY LAW OR REGULATION (INCLUDING THE LAWS AND REGULATIONS APPLICABLE IN EUROPE AND ALSO THE USA).

BWR ALSO WISHES TO INFORM THAT ACCESS OR USE OF THE SAID DOCUMENTS DOES NOT CREATE A CLIENT RELATIONSHIP BETWEEN THE USER AND BWR.

THE RATINGS ASSIGNED BY BWR ARE ONLY AN EXPRESSION OF BWR'S OPINION ON THE ENTITY / INSTRUMENT AND SHOULD NOT IN ANY MANNER BE CONSTRUED AS BEING A RECOMMENDATION TO EITHER, PURCHASE, HOLD OR SELL THE INSTRUMENT.

BWR ALSO WISHES TO ABUNDANTLY CLARIFY THAT THESE RATINGS ARE NOT TO BE CONSIDERED AS AN INVESTMENT ADVICE IN ANY JURISDICTION NOR ARE THEY TO BE USED AS A BASIS FOR OR AS AN ALTERNATIVE TO INDEPENDENT FINANCIAL ADVICE AND JUDGEMENT OBTAINED FROM THE USER'S FINANCIAL ADVISORS. BWR SHALL NOT BE LIABLE TO ANY LOSSES INCURRED BY THE USERS OF THESE RATING RATIONALES, RATING REPORTS OR ITS CONTENTS. BWR RESERVES THE RIGHT TO VARY, MODIFY, SUSPEND OR WITHDRAW THE RATINGS AT ANY TIME WITHOUT ASSIGNING REASONS FOR THE SAME.

BWR'S RATINGS REFLECT BWR'S OPINION ON THE DAY THE RATINGS ARE PUBLISHED AND ARE NOT REFLECTIVE OF FACTUAL CIRCUMSTANCES THAT MAY HAVE ARISEN ON A LATER DATE. BWR IS NOT OBLIGED TO UPDATE ITS OPINION BASED ON ANY PUBLIC NOTIFICATION, IN ANY FORM OR FORMAT ALTHOUGH BWR MAY DISSEMINATE ITS OPINION AND ANALYSIS WHEN DEEMED FIT.

NEITHER BWR NOR ITS AFFILIATES, THIRD PARTY PROVIDERS, AS WELL AS THE DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES OR AGENTS (COLLECTIVELY, "BWR PARTY") GUARANTEE THE ACCURACY, COMPLETENESS OR ADEQUACY OF THE RATINGS, AND NO BWR PARTY SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN, REGARDLESS OF THE CAUSE, OR FOR THE RESULTS OBTAINED FROM THE USE OF ANY PART OF THE RATING RATIONALES OR RATING REPORTS. EACH BWR PARTY DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. IN NO EVENT SHALL ANY BWR PARTY BE LIABLE TO ANY ONE FOR ANY DIRECT, INDIRECT, INCIDENTAL, EXEMPLARY, COMPENSATORY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, COSTS, EXPENSES, LEGAL FEES, OR LOSSES (INCLUDING, WITHOUT LIMITATION, LOST INCOME OR LOST PROFITS AND OPPORTUNITY COSTS) IN CONNECTION WITH ANY USE OF ANY PART OF THE RATING RATIONALES AND/OR RATING REPORTS EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. HOWEVER, BWR OR ITS ASSOCIATES MAY HAVE OTHER COMMERCIAL TRANSACTIONS WITH THE COMPANY/ENTITY. BWR AND ITS AFFILIATES DO NOT ACT AS A FIDUCIARY.

BWR KEEPS CERTAIN ACTIVITIES OF ITS BUSINESS UNITS SEPARATE FROM EACH OTHER IN ORDER TO PRESERVE THE INDEPENDENCE AND OBJECTIVITY OF THE RESPECTIVE ACTIVITY. AS A RESULT, CERTAIN BUSINESS UNITS OF BWR MAY HAVE INFORMATION THAT IS NOT AVAILABLE TO OTHER BWR BUSINESS UNITS. BWR HAS ESTABLISHED POLICIES AND PROCEDURES TO MAINTAIN THE CONFIDENTIALITY OF CERTAIN NON-PUBLIC INFORMATION RECEIVED IN CONNECTION WITH EACH ANALYTICAL PROCESS.

BWR CLARIFIES THAT IT MAY HAVE BEEN PAID A FEE BY THE ISSUERS OR UNDERWRITERS OF THE INSTRUMENTS, FACILITIES, SECURITIES ETC., OR FROM OBLIGORS. BWR'S PUBLIC RATINGS AND ANALYSIS ARE MADE AVAILABLE ON ITS WEB SITE, WWW.BRICKWORKRATINGS.COM. MORE DETAILED INFORMATION MAY BE PROVIDED FOR A FEE. BWR'S RATING CRITERIA ARE ALSO GENERALLY MADE AVAILABLE WITHOUT CHARGE ON BWR'S WEBSITE.

THIS DISCLAIMER FORMS AN INTEGRAL PART OF THE RATINGS RATIONALES / RATING REPORTS OR OTHER PRESS RELEASES, ADVISORIES, COMMUNICATIONS ISSUED BY BWR AND CIRCULATION OF THE RATINGS WITHOUT THIS DISCLAIMER IS PROHIBITED.

BWR IS BOUND BY THE CODE OF CONDUCT FOR CREDIT RATING AGENCIES ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA AND IS GOVERNED BY THE APPLICABLE REGULATIONS ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA AS AMENDED FROM TIME TO TIME.

Disclaimer statement from the Issuer

The Issuer accepts no responsibility for statements made other than in this Tranche I Prospectus issued by our Company in connection with the Issue of the NCDs and anyone placing reliance on any other source of information would be doing so at his / her own risk.

Track record of past public issues handled by the Lead Managers

The track record of past issues handled by the Lead Managers, as required by SEBI circular number CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following websites:

Name of Lead Manager	Website
Edelweiss Financial Services Limited	www.edelweissfin.com
IIFL Securities Limited	www.iiflcap.com
ICICI Securities Limited	www.icicisecurities.com
Trust Investment Advisors Private Limited	www.trustgroup.in
Equirus Capital Private Limited	www.equirus.com

Listing

The Unsecured NCDs offered through this Tranche I Prospectus are proposed to be listed on both the NSE and BSE. Our Company has obtained an ‘in-principle’ approval for the Issue from BSE *vide* its letter no. DCS/BM/PI-BOND/006/21-22 dated June 24, 2021 and NSE *vide* its letter no. NSE/LIST/D/2021/0061 dated June 24, 2021. For the purposes of the Issue, NSE shall be the Designated Stock Exchange.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within six Working Days from the Tranche I Issue Closing Date.

For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the Series, such Unsecured NCDs with Series shall not be listed.

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer to the Issue (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) Public Issue Account Bank; (h) Refund Bank; (i); Sponsor Bank; (j) Bankers to Company; (k) Lead Brokers/Members of the Syndicate (l) CRISIL; (m) Brickwork, (n) the Debenture Trustee; and (o) CRISIL (for NBFC Report June 2021), have been obtained and the same will be filed along with a copy of the Shelf Prospectus and the Tranche I Prospectus with the ROC as required under Section 26 and Section 31 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of this Tranche I Prospectus to the ROC.

Our Company has received written consent dated June 29, 2021 from the Statutory Auditors namely, M/s. M.P. Chitale, Chartered Accountants to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI Debt Regulations in the Shelf Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as a current Statutory Auditor and in respect of their (i) examination report dated June 15, 2021 on our Reformatted Financial Statements under Ind AS, (ii) examination report dated June 15, 2021 on our Reformatted Financial Statements under IGAAP; and (iii) the statement of tax benefits and such consent has not been withdrawn as on the date of this Tranche I Prospectus .

Expert Opinion

Except for the following, our Company has not obtained any expert opinions in connection with this Tranche I Prospectus :

Our Company has received written consent dated June 29, 2021 from the Statutory Auditors namely, M/s. M.P. Chitale & Co., Chartered Accountants to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI Debt Regulations in the Shelf Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as a current Statutory Auditor and in respect of their (i) examination report dated June 15, 2021 on our Reformatted Financial Statements under Ind AS, (ii) examination report dated June 15, 2021 on our Reformatted Financial Statements under IGAAP; and (iii) the statement of tax benefits and such consent has not been withdrawn as on the date of this Tranche I Prospectus .

Common form of Transfer

The Issuer undertakes that there shall be a common form of transfer for the Unsecured NCDs and the provisions of the Companies Act, 2013 and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size (i.e., ₹ 750 million). If our Company does not receive the minimum subscription of 75% of the Base Issue Size, prior to the Tranche I Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within six Working Days from the Tranche I Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Account(s), such Application Amounts shall be refunded within six Working Days from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within six working days from the Tranche I Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 percent per annum for the delayed period.

Filing of the Draft Shelf Prospectus

A copy of the Draft Self Prospectus has been filed with the Stock Exchanges in terms of SEBI Debt Regulations for dissemination on their respective websites.

Filing of the Shelf Prospectus and this Tranche I Prospectus with the RoC

Our Company is eligible to file a Shelf Prospectus as per requirements of Section 6A of SEBI Debt Regulations. A copy of the Shelf Prospectus and copies of this Tranche I Prospectus will be filed with the RoC, in accordance with Section 26 and Section 31 of Companies Act, 2013.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI Debt Regulations, any housing finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Fiscal 2020 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche I Prospectus , the Company is not required to create DRR for the purpose of redemption of the Unsecured NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the Unsecured NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

- A. in deposits with any scheduled bank, free from any charge or lien
- B. in unencumbered securities of the Central Government or any State Government;

- C. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
- D. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882:

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption of debentures maturing during the year referred above.

Tranche I Issue Related Expenses

The expenses of the Tranche I Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, Consortium Members/Lead Brokers, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees payable to the intermediaries as provided for in the Debt UPI Circular, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Tranche I Issue expenses and listing fees will be paid by our Company.

For estimated breakdown of the total expenses for Tranche I Issue, see "*Objects of the Tranche I Issue*" on the page 30.

Underwriting

This Issue shall not be unwritten.

Identification as wilful defaulter

Our Company (as defined under the Companies Act, 2013) or any of its directors or promoters have not been identified as wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI or any other governmental authority.

Reservation

No portion of this Issue has been reserved.

Details regarding the Company and other listed companies which are associate companies as described under the Companies Act, 2013, which made any capital issue during the last three years

Except as disclosed below, there are no other listed companies under the same management / associate companies as described under the Companies Act, 2013, which have made any public capital issuances during the previous three years from the date of this Tranche I Prospectus .

IIFL Finance Limited (formerly known as IIFL Holdings Limited)

Utilisation of Proceeds

Our Board of Directors certifies that:

- (i) all monies received out of the Issue of the Unsecured NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank, other than the bank account referred to in section 40(3) of the Companies Act, 2013;
- (ii) details of all monies utilised out of the Tranche I Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;
- (iii) details of all unutilised monies out of this Tranche I Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested;
- (iv) we shall utilize the Tranche I Issue proceeds only after (a) receipt of the minimum subscription of 75% of the Base Issue amount; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; and (c) receipt of listing and trading approval from BSE and NSE;
- (v) the Tranche I Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any property; and

- (vi) the Tranche I Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time.

The funds raised by us from previous bonds issues have been utilised for our business as stated in the respective offer documents.

Utilisation details of previous public issues

Utilisation details of previous public issues made by our Company

Our Company has made one public issue in two tranches of secured, rated, listed, redeemable, non-convertible debentures and unsecured rated, listed, redeemable, non-convertible debentures of face value ₹ 1,000 each. The details of the utilisation of issue proceeds, tranche wise, from such public issues are given below:

(₹ in million)

Tranche	Issue opening date	Issue closing date	Date of allotment of securities	Type	Total Issue Size	Particulars	Outstanding amount
Tranche I	December 12, 2013	December 18, 2013	December 27, 2013	Secured Redeemable Non-Convertible Debentures	5,000	The funds raised through this Issue, after meeting the expenditures of and related to the Issue, will be used for the financing activities including lending and investments, subject to applicable statutory and/or regulatory requirements, to repay our existing loans and our business operations including for our capital expenditure and working capital requirements.	Nil. Debentures were matured on December 26, 2018
Tranche II	March 12, 2014	March 24, 2014	April 3, 2014	Unsecured Redeemable Non-Convertible Debentures	2,000	The funds raised through this issue, after meeting the expenditures of and related to the issue, will boost tier II capital and capital adequacy and shall be used for the financing activities including lending and investments, subject to applicable statutory and/or regulatory requirements, to repay existing loans and business operations including capital expenditure, general corporate purpose and working capital requirements	Nil. Debentures were matured on March 30, 2020

Public / Rights Issues of Equity Shares

Public Issue:

Our Company has not undertaken any equity public issue prior to the date of this Tranche I Prospectus:

Particulars	Public Issue
Date of Opening	N.A
Date of Closing	N.A
Total Issue Size (in ₹ million)	N.A
Date of Allotment	N.A

Date of Listing	N.A
Utilisation of Proceeds	N.A

Rights Issue

Our Company has undertaken the following rights issue of equity shares of face value of ₹10 each in the last five years.

Date of allotment	No. of Equity Shares	Issue price (₹)	Consideration in cash/ Other than cash	Cumulative			Details of Utilisation
				No. of Equity Shares	Equity Share capital (₹)	Share premium account (₹)	
September 30, 2016	3,000,000 ⁽¹⁾	750.00	Cash	17,968,181	179,681,810	552,25,67,740	Augmentation of the share capital of our Company followed by the utilization of the proceeds for business purposes by our Company
March 30, 2017	2,000,000 ⁽²⁾	800.00	Cash	19,968,181	199,681,810	700,25,67,740	
November 30, 2018	1,000,000 ⁽³⁾	1,000.00	Cash	20,968,181	209,681,810	799,25,67,740	

⁽¹⁾ Allotment of 3,000,000 Equity Shares to India Infoline Finance Limited (now merged with IIFL Finance Limited)

⁽²⁾ Allotment of 2,000,000 Equity Shares to India Infoline Finance Limited (now merged with IIFL Finance Limited)

⁽³⁾ Allotment of 1,000,000 Equity Shares to India Infoline Finance Limited (now merged with IIFL Finance Limited)

Our Company has not undertaken any rights issue of equity shares to the public in the last five years.

Public Issue / Rights issue (to the public) by our group companies in the last five years from the Tranche I Prospectus:

Our group companies have undertaken the following public issues of debentures in the last five years from the date of this Tranche I Prospectus :

1. India Infoline Finance Limited (now merged with IIFL Finance Limited (formerly known as IIFL Holdings Limited))

Name of Company	India Infoline Finance Limited	
Date of Opening	January 22, 2019	August 6, 2019
Date of Closing	February 1, 2019	August 30, 2019
Total Issue Size	₹ 20,000 million	₹ 10,000 million
Date of Allotment	February 7, 2019	September 6, 2019
Date of Refunds	NA	NA
Date of Listing	February 8, 2019 (BSE & NSE)	September 09, 2019 (BSE & NSE)
Utilisation of Proceeds	For various financing activities including onward lending and investments activity, to repay existing loans and for business operations including our capital expenditure and working capital requirements and other general corporate purposes.	For various financing activities including onward lending, for repayment /prepayment of interest and principal of existing borrowing and other general corporate purposes.

Our group companies have undertaken the following right issues in the last 5 (five) years from the date of this Tranche I Prospectus :

1. 5 Paisa Capital Limited

Date of allotment	No. of Equity Shares	Issue price (₹)	Consideration in cash (₹)	Cumulative			Details of Utilisation
				No. of Equity Shares	Equity Share capital (₹)	Share premium account (₹)	
August 20, 2019	12,738,646	80	1,019,091,680	25,477,668	254,776,680	1,694,212,710	The funds raised through Rights Issue have been utilized for the following purpose during the year: 1. Business & Operations Expansion

Date of allotment	No. of Equity Shares	Issue price (₹)	Consideration in cash (₹)	Cumulative			Details of Utilisation
				No. of Equity Shares	Equity Share capital (₹)	Share premium account (₹)	
							2. Manpower expenses 3. Margin Maintenance with Stock Exchange 4. Investment in Subsidiary 5. General Corporate purpose

Buyback:

IIFL Securities Limited, a group company, vide its Public Announcement dated December 23, 2020, announced the Buyback of its fully paid-up equity shares of face value of ₹ 2 each (Equity shares), from the members of the Company (except promoters, promoter group and persons in control of the Company) for an amount aggregating up to ₹ 90,00,00,000 (Rupees Ninety Crores only) ('Maximum Buyback Size') at a price not exceeding ₹54 (Rupees Fifty Four Only) per Equity Share, under the open market route through the stock exchanges.

The Buyback commenced on December 30, 2020 and had been closed with effect from February 15, 2021. The Company bought back a total of 17,000,394 Equity Shares under the Buyback and the total amount spent was approximately ₹ 866,819,665.00 (excluding transaction costs), representing 96.31% of the Maximum Buyback Size.

Other than as disclosed above, there are no other public / rights issues (to the public) by our group companies during the last five years from the date of the Tranche I Prospectus .

Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding

As on March 31, 2021, our Company has listed rated/ unrated, secured/ unsecured, non-convertible redeemable debentures and listed subordinated debt. For further details see chapter titled "*Financial Indebtedness*" on page 309 of the Shelf Prospectus.

Our Company does not have any preference shares as on March 31, 2021.

Further, save and except as mentioned in this Tranche I Prospectus and hereinbelow, the Company has not issued any other debentures.

Other than as specifically disclosed in this Tranche I Prospectus , our Company has not issued any securities for consideration other than cash.

Dividend

Our Company has in place dividend distribution policy prepared in accordance with Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 approved by the Board of Directors of the Company. The declaration and payment of dividends on our shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition.

Dividend paid to equity shareholders of the Company over the last five years on a standalone basis:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2018	For the year ended March 31, 2017
Equity Share					
Equity Share Capital (₹ in million)	210	210	210	200	200

Face Value Per Equity Share (₹)	10	10	10	10	10
Interim Dividend on Equity Shares (₹ per Equity Share)	25	15	2	-	-
Total interim dividend on Equity Shares (₹ in million)	524	315	42	-	-
Dividend Declared Rate (in %)	250%	150%	20%	0%	0%
Dividend tax (gross) on interim dividend (₹ in million)	-	65	9	-	-
Preference Share					
Dividend on Preference Shares (₹ in million)	0	0	0	0	13

Revaluation of assets

The Company has not revalued its assets in the last five years.

Mechanism for redressal of investor grievances

The Registrar Agreement dated June 16, 2021 between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the Allotment Advice, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue and this Tranche I Issue should be addressed to the Registrar to the Issue and the Compliance Officer of the Company giving full details of the Applicant (including the DP ID, Client ID and PAN), number of NCDs applied for, amount paid on application series or option applied for and Member of the Syndicate or Trading Member or SCSB to which the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned Member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, series applied for, number of Unsecured NCDs applied for, amount blocked on Application.

All grievances related to the UPI process may be addressed to the Stock Exchange, which shall be responsible for addressing investor grievances arising from applications submitted online through the App based/ web interface platform of stock exchange or through their Trading Members. The Intermediaries shall be responsible for addressing any investor grievances arising from the applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

The contact details of Registrar to the Issue are as follows:

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg,

Vikhroli (West),

Mumbai 400 083,

Maharashtra, India

Tel.: + 91 22 4918 6200;

Fax: + 91 22 4918 6195;

Email: iiflhome.ncd@linkintime.co.in;

Investor Grievance Email: iiflhome.ncd@linkintime.co.in;

Website: www.linkintime.co.in;

Contact Person: Shanti Gopalkrishnan

Compliance Officer: B.N. Ramakrishnan

SEBI Registration No: INR000004058

CIN: U67190MH1999PTC118368

The Registrar shall endeavour to redress complaints of the investors within three (3) days of receipt of the complaint during the currency of this MoU and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However,

the Registrar shall ensure that the time taken to redress investor complaints does not exceed seven (7) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a quarterly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

Mr. Ajay Jaiswal has been appointed as the Compliance Officer for this issue.

The contact details of the Company Secretary and Compliance Officer of our Company are as follows:

IIFL Home Finance Limited

Plot No.98, Udyog Vihar,
Phase - IV, Gurgaon – 122 015
Haryana, India
Telephone: +91 124 4754 600
Facsimile: +91 22 3929 4000
Email: secretarialhfc@iifl.com

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such as non-receipt of Allotment Advice, demat credit, etc.

Change in auditors of our Company during the last three years

Name	Address	Date of appointment	Date of resignation	Remarks
Deloitte Haskins & Sells LLP (Firm Registration No. 117366W/W-100018)	Indiabulls Finance Centre, Tower 3, 27 th - 32 nd Floor, Senapati Bapat Marg, Elphinstone Road (W), Mumbai - 400 013 Maharashtra, India	July 22, 2017	June 7, 2020	In the opinion of the Auditors the fees proposed by the management of the Company was not commensurate to the efforts that they would be incurring to conduct the audit operations.
M/s. M.P. Chitale & Co. Chartered Accountants	M. P. Chitale & Co. Hamam House, 1 st Floor, Ambalal Doshi Marg, Fort, Mumbai 400 001 Maharashtra, India	June 7, 2020	-	-

A. Details of overall lending by our Company as of March 31, 2021 on a standalone basis.

Type of loans:

The detailed break-up of the type of loans including bills receivables given by our Company as on March 31, 2021, is as follows:

(₹ in million)

Sr. No.	Type of Loans	Amount	Percentage of AUM
1.	Secured	206,910.16	99.99%
2.	Unsecured	26.71	0.01%
	Total Assets under Management (AUM)	206,936.87	100%

B. Sectoral exposure as on March 31, 2021:

Sr. No.	Segment wise break up of AUM	Percentage of AUM
1.	Retail	-
	(a) Mortgages (Home loans and secured business loan)	96%
	(b) Gold loans	-
	(c) Vehicle loans	-
	(d) MFI	-
	(e) MS&SME	-
	(f) Capital market funding (loan against shares, margin funding)	-
	(g) Others	-
2.	Wholesale	-
	(a) Infrastructure	-

Sr. No.	Segment wise break up of AUM	Percentage of AUM
	(b) Real Estate (including builder loans)	4%
	(c) Promoter funding	-
	(d) Others	-
	Total	100.00%

C. Denomination of the loans outstanding by ticket size as on March 31, 2021

Sr. No.	Ticket Size	Percentage of AUM
1.	Upto ₹ 0.2 million	0.27%
2.	₹ 0.2 million to ₹ 0.5 million	1.40%
3.	₹ 0.5 million to ₹ 1 million	7.57%
4.	₹ 1 million to ₹ 2.5 million	40.88%
5.	₹ 2.5 million to ₹ 5 million	20.53%
6.	₹ 5 million to ₹ 10 million	6.10%
7.	₹ 10 million to ₹ 50 million	10.64%
8.	₹ 50 million to ₹ 250 million	8.27%
9.	₹ 250 million to ₹ 1000 million	4.02%
10.	Above ₹ 1000 million	0.32%
	Total	100.00%

D. Denomination of loan outstanding by LTV* as on March 31, 2021

Sr. No.	LTV	Percentage of AUM*
1.	Up to 40%	14.50%
2.	40% - 50%	7.91%
3.	50% - 60%	11.12%
4.	60% - 70%	16.42%
5.	70% - 80%	24.18%
6.	80% - 90%	25.85%
7.	More than 90%	0.02%
	Total	100.00%

*LTV as at March 31, 2021

*Percentage of AUM of Mortgages

*LTV at the time of origination

E. Geographical Classification of Company's borrowers as on March 31, 2021

Sr. No.	Top five States	Percentage of AUM
1.	Delhi NCR	28.39%
2.	Mumbai	16.21%
3.	Gujarat	9.76%
4.	MPCG	8.24%
5.	Karnataka	6.34%
	Others	31.07%
	Total	100.00%

F. Aggregated exposure to top 20 borrowers with respect to concentration of advances as on March 31, 2021

Particulars	Details
Total advances to twenty largest borrowers (₹ in million)	10,451.75
Percentage of Advances to twenty largest borrowers to Total Advances of the Company	5.05%

G. Aggregated exposure to top 20 borrowers with respect to concentration of exposure as on March 31, 2021

Particulars	Details
Total exposure to twenty largest borrowers (₹ in million)	11,121.04
Percentage of exposure to twenty largest borrowers to total exposure of the Company	5.02%

Note: In in point (F) and (G) above, every loan account were clubbed to one particular borrower wherever applicable.

H. Details of loans overdue and classified as non-performing in accordance with RBI's guidelines as on March 31, 2021:

1. Movement of Gross NPAs

(₹ in million)

S. No.	Particulars	Amount
1.	Opening balance	2,342.73
2.	Additions during the year	1,942.59
3.	Reductions during the year	(757.54)
4.	Closing balance	3,527.79

*Closing and opening of Gross Non Performing Asset includes Interest Accrued and others of ₹ 603.20 million and ₹ 290.43 million, respectively.

2. Movement of provisions for NPAs (excluding provisions on standard assets)

(₹ in million)

S. No.	Particulars	Amount
1.	Opening balance	773.19
2.	Provisions made during the year	1,148.93
3.	Write-off / write-back of excess provisions	(229.97)
4.	Closing balance	1,692.15

3. Segment-wise gross NPA as on March 31, 2021:

S. No	Segment-wise gross NPA	Gross NPA (%)
1	Retail	-
A	Home loans	1.50%
B	Loan Against Property	3.46%
C	Loan Against Shares	-
D	Construction & Real Estate Finance	-
E	Gold Loans	-
F	MSME & Others	-
G	Promoter	-
2	Wholesale	-
A	Infrastructure	-
B	Real Estate (including builder loans)	-
C	Promoter funding	-
D	Others	-
3	Large Corporate	-
A	Structured Finance	-
B	Term Loan/ Working Capital Demand Loan	-
4	Small and Medium Enterprises	-
A	Loan Against Property	-
B	Structured Finance	-
C	Supply Chain	-
Total GNPA		1.97%

I. Our Company has not provided any loans/advances to associates, entities/person relating to the board, senior management, Promoter as of the date of the Shelf Prospectus.

Onward lending to borrowers forming part of the "Group" as defined by RBI as on March 31, 2021:

Name of the Borrower (A)	Amount of advances / exposures to such Borrower (Group) (B) (₹ in crores)	Percentage of exposure (C) = B/Total AUM
NIL		

J. Residual Maturity Profile of Assets and Liabilities as on March 31, 2021

(₹ in million)

Particulars	Upto 30/31 days	Over 1 month upto 2 month	Over 2 months upto 3 months	Over 3 months & upto 6 months	Over 6 months & upto 1 year	Over 1 year & upto 3 year	Over 3 year & upto 5 year	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	5,648.64	2,744.67	2,747.76	7,406.85	13,590.95	44,229.94	25,045.16	44,374.71	145,788.68
Reserves and Surplus	-	-	-	-	-	-	-	21,247.41	21,247.41
Investment	0.34	0.34	0.34	1.04	2.16	9.59	10.83	1647.55	1,672.19
Borrowings	2,439.08	6,016.66	4,946.15	13,579.93	14,314.00	38,096.36	18,606.15	28,336.83	126,335.16
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	116.38	-	-	-	3,650.89	-	-	3,767.27

K. Concentration of Exposure and NPA as of March 31, 2021

(₹ in million)

Particulars	Amount
Concentration of Exposures	
Total advances to twenty largest borrowers	11,121.04
Percentage of exposure to twenty largest borrowers to total exposure of the Company	5.02%
Concentration of NPAs	
Total exposure to top four NPA accounts	404.97

- (a) Lending policy: For details on lending policy see “**Our Business**” on page 93 of the Shelf Prospectus.
- (b) Details regarding lending out of issue proceeds of Previous Issues:
- (i) Loan given by the Company: Our Company has not undertaken any prior public issuance of debentures in the last five years. Accordingly, our Company has not provided any loans/advances to associates, entities/persons relating to Board, senior management or Promoter or others out of proceeds from previous public issuances of debentures in the last five years.
 - (ii) Utilisation of Issue Proceeds of the previous Issues by our Company and group companies:
 - (iii) Group companies: Our Company has not undertaken any prior public issuance of debentures in the last five years. Accordingly, our Company has not provided any loans/advances to its group companies from the proceeds of previous public issue of debentures in the last five years.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Issue Opening Date. This advertisement will contain the information as prescribed in Schedule IV of SEBI Debt Regulations in compliance with the Regulation 8(1) of SEBI Debt Regulations. Material updates, if any, between the date of filing of the Shelf Prospectus and this Tranche I Prospectus with ROC and the date of release of the statutory advertisement, will be included in the statutory advertisement.

Auditors’ Remarks

Other than as disclosed in the chapter titled “**Risk Factors**”, on page 19 of the Shelf Prospectus, there are no reservations or qualifications or adverse remarks in the financial statements of our company in the last five financial years immediately preceding the Shelf Prospectus.

Trading

Debt securities issued by our Company, which are listed on NSE and BSE’s wholesale debt market are infrequently traded with limited or no volumes. Consequently, there has been no material fluctuation in prices or volumes of such listed debt securities.

Caution

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring or subscribing for, its securities;*
or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or any other person in a fictitious name shall be liable for action under section 447.”*

Disclaimer in respect of Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

SECTION III – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The key common terms and conditions of the Unsecured NCDs are as follows:

Issuer	IIFL Home Finance Limited
Type of instrument/ Name of the security/ Seniority for the Tranche I Issue	Unsecured Subordinated Redeemable NCDs
Nature of the Instrument for the Tranche I Issue	Unsecured Subordinated Redeemable NCDs of face value of ₹ 1,000 each
Mode of the Issue	Public Issue
Lead Managers	Edelweiss Financial Services Limited, IIFL Securities Limited*, ICICI Securities Limited; Trust Investment Advisors Private Limited, and Equirus Capital Private Limited. <i>* IIFL Securities Limited is deemed to be our associate as per the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended (Merchant Bankers Regulations). Further, in compliance with the provisions of Regulation 21A and explanation to Regulation 21A of the Merchant Bankers Regulations, IIFL Securities Limited would be involved only in marketing of the Issue.</i>
Debenture Trustee	Catalyst Trusteeship Limited
Depositories	NSDL and CDSL
Registrar	Link In time India Private Limited
Issue	Upto ₹ 10,000 million
Base Issue	₹ 1,000 million
Option to retain oversubscription Amount	₹ 9,000 million
Tranche I Issue/Tranche I Issue Size	Public Issue by the Company of unsecured subordinated redeemable non-convertible debentures of face value of ₹ 1,000 (Indian Rupees One Thousand) each (“ Unsecured NCDs ”) for an amount of ₹ 1,000 million (“ Base Issue Size ”) with an option to retain oversubscription up to ₹ 9,000 million amounting to up to ₹ 10,000 million (“ Tranche I Issue Limit ”) (“ Tranche I Issue ”) which is within the Shelf Limit of ₹ 50,000 million and is being offered by way of this Tranche I Prospectus dated June 29, 2021 containing inter alia the terms and conditions of Tranche I Issue (“ Tranche I Prospectus ”), which should be read together with the Shelf Prospectus dated June 29, 2021 (“ Shelf Prospectus ”) filed with the registrar of companies, Mumbai, Maharashtra (“ ROC ”), Stock Exchanges and Securities and Exchange Board of India (“ SEBI ”). The Shelf Prospectus and Tranche I Prospectus constitutes the prospectus “ Prospectus ”).
Total Issue Size/ Shelf Limit	₹ 50,000 million
Eligible Investors	Please refer to the section titled “ <i>Issue Procedure –Who can apply?</i> ” on page 72.
Objects of the Issue	Please refer to the section titled “ <i>Objects of the Tranche I Issue</i> ” page 30.
Details of Utilization of the Proceeds	Please refer to the section titled “ <i>Objects of the Tranche I Issue</i> ” page 30.
Interest Rate on each category of investor	Please see the section titled “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 63
Step up/ Step Down Interest rates	NA
Interest type	Fixed
Interest reset process	NA
Frequency of interest payment	See “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 63.
Interest Payment date	See “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 63.
Day count basis	Actual / Actual
Interest on application money	NA

Default Interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws
Tenor	See “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 63
Redemption Date	See “ <i>Issue Structure</i> ” beginning on page 50.
Redemption Amount	See “ <i>Issue Structure</i> ” beginning on page 50.
Redemption Premium / Discount	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 50.
Face Value	₹ 1,000 per Unsecured NCD
Issue Price	₹ 1,000 per Unsecured NCD
Discount at which security is issued and the effective yield as a result of such discount	NA
Put date	NA
Put price	NA
Call date	NA
Call price	NA
Put notification time	NA
Call notification time	NA
Minimum Application size and in multiples of NCD thereafter	₹ 10,000 (10 Unsecured NCD) and in multiple of ₹ 1,000 (One Unsecured NCD) thereafter
Market Lot / Trading Lot	One Unsecured NCD
Pay-in date	Application Date. The entire Application Amount is payable on Application
Credit Ratings	The Unsecured NCDs proposed to be issued under the Issue have been rated “CRISIL AA/Stable” (pronounced as CRISIL double A rating with stable outlook) for an amount of ₹ 50,000 million by CRISIL Ratings Limited vide their rating letter dated June 11, 2021, and BWR AA+/ Negative (Assigned) (pronounced as “BWR Double A plus with Negative outlook”) for an amount of ₹50,000 million by Brickwork Ratings India Private Limited vide their rating letter dated June 11, 2021. The aforesaid rating indicates that instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating agency has a right to suspend or withdraw the rating at any time on the basis of factors such as new information. Please refer to <i>Annexures A and B</i> of this Tranche I Prospectus for the rationale of the above ratings.
Listing	The Unsecured NCDs are proposed to be listed on BSE and NSE. The Unsecured NCDs shall be listed within six Working Days from the date of Tranche I Issue Closing Date.
Modes of payment	See <i>Issue Procedure – Terms of Payment</i> ” on page 53.
Issuance mode of the Instrument	In dematerialised form only
Trading mode of the instrument	In dematerialised form only
Tranche I Issue Opening Date	Tuesday, July 6, 2021
Tranche I Issue Closing Date	Wednesday, July 28, 2021
Record date	The record date for payment of interest in connection with the Unsecured 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 or such other date as may be determined by the Board of Directors and/or Finance Committee as constituted by the Board of Directors, from time to time in accordance with the applicable law. Provided that trading in the Unsecured NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of Unsecured NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be.

	In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company will be deemed as the Record Date.
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	Not Applicable
Description regarding Security (where applicable) including type of security (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 the Draft Shelf Prospectus and relevant Tranche Prospectus^o	The Company shall not create any Security under this Tranche I Issue for the Unsecured NCD Holders. Further, please refer to the section titled- “ <i>Issue related Information</i> ” in this Tranche I Prospectus and the Debenture Trust Deed to be executed for this Tranche I Issue. The Company shall pay interest of atleast 2% p.a. to the Unsecured NCD holders, over and above the coupon rate mentioned in this Tranche I Prospectus, if the Company fails to execute the Debenture Trust Deed within the stipulated regulatory timeframe.
Issue documents	The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed and other documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of the Issue including but not limited to the Issue Agreement, Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Lead Broker Agreement. For further details, please refer to “ <i>Material Contracts and Documents for Inspection</i> ” on page 110.
Condition precedent to disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedents to disbursement. See “ <i>General Information - Utilisation of Issue Proceeds</i> ” on page 28
Condition subsequent to the disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions subsequent to disbursement. See “ <i>General Information - Utilisation of Issue Proceeds</i> ” on page 28
Events of default (including manner of voting/conditions of joining Inter Creditor Agreement)	Please refer to the section titled “ <i>Terms of the Issue – Events of Default</i> ” on page 58.
Creation of recovery expense fund	Our Company undertakes to deposit, in the manner as may be specified by SEBI from time to time, the amount in the recovery expense fund and inform the Debenture Trustee regarding the deposit in such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	The Debenture Trustee may, with the consent of all the Debenture Holder(s)/ Beneficial Owner(s), at any time, waive on such terms and conditions as it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee or the Debenture Holder(s)/ Beneficial Owner(s) in respect of any subsequent breach thereof.
Deemed date of Allotment	The date on which the Board of Directors/or the Finance Committee approves the Allotment of the Unsecured NCDs for this Tranche I Issue or such date as may be determined by the Board of Directors/ or the Finance Committee to the Stock Exchange(s). The actual Allotment of Unsecured NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Unsecured NCDs including interest on Unsecured NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.

Roles and responsibilities of the Debenture Trustee	Please see section titled “ <i>Terms of the Issue-Trustees for the Unsecured NCD Holders</i> ” on page 56.
Risk factors pertaining to the Issue	Please see section titled “ <i>Risk Factors</i> ” on page 19 of the Shelf Prospectus.
Governing law and Jurisdiction	The governing law and jurisdiction for the purpose of the Issue shall be Indian law, and the competent courts of jurisdiction in Mumbai, India, respectively
Working day convention	<p>If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it failing on a non-Working Day.</p> <p>If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by our Company on the immediately preceding Working Day along with interest accrued on the Unsecured NCDs until but excluding the date of such payment. The interest /redemption payments shall be made only on the days when the money market is functioning in Mumbai.</p>

In terms of Regulation 4(2)(d) of the SEBI Debt Regulations, our Company will undertake this public issue of the Unsecured NCDs in dematerialised form. Trading in Unsecured NCDs shall be compulsorily in dematerialized form.

*** The subscription list shall remain open at the commencement of banking hours and close at the close of banking hours for the period as indicated, with an option for early closure or extension by such period, as may be decided by the Board of Directors or Finance Committee. In the event of such early closure 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 a leading daily national newspaper on or before such earlier date or extended date of closure. Applications Forms for this Tranche I Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the BSE or NSE, on Working Days during the Tranche I Issue Period. On the Tranche I Issue Closing Date, Application Forms will be accepted only from 10:00 a.m. till 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the BSE and NSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 pm on one Working Day after the Tranche I Issue Closing Date. For further details please refer to the chapter titled “Issue Related Information” on page 50.*

SPECIFIC TERMS FOR EACH SERIES OF UNSECURED NCDs

Terms of payment

The entire face value per Unsecured 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 Unsecured NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms of the Shelf Prospectus.

Participation by any of the above-mentioned Investor classes in the Tranche I 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 Unsecured NCDs that can be held by them under applicable statutory and/or regulatory provisions.

The Unsecured 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 Unsecured 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 Tranche I 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.

The terms of each series of Unsecured NCDs are set out below:

Series	I*	II	III
Frequency of Interest Payment	Annual	Monthly	At Maturity
Minimum Application	(₹10,000, 10 Unsecured NCDs) across all Series		
Face Value/ Issue Price of NCDs (₹/ NCD)	₹1,000		
In Multiples of thereafter (₹)	₹1,000 (One Unsecured NCD)		
Tenor (in months)	87	87	87
Coupon (% per annum) for NCD Holders in all Category	10.00%	9.60%	NA
Effective Yield (% per annum) for Unsecured NCD Holders in all Category	10.00%	10.03%	10.02%
Mode of Interest Payment	Through various mode available		
Amount (₹ / NCD) on Maturity for Unsecured NCD Holders in all Category	1,000	1,000	2,000
Put and Call Option	NA	NA	NA

- 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 Unsecured NCDs. The last interest payment under annual Series will be made at the time of redemption of the Unsecured NCDs.
- Subject to applicable tax deducted at source, if any.
- Please refer to Schedule D for details pertaining to the cash flows of the Company in accordance with the SEBI circular bearing number CIR/IMD/DF/18/2013 dated October 29, 2013 and CIR/IMD/DF-1/122/2016 dated November 11, 2016.

*Our Company would allot the Series I Unsecured NCDs, as specified in this Tranche I Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant Series of Unsecured NCDs.

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 Unsecured NCDs pursuant to the Tranche I Issue.

For further details, see “*Issue Procedure*” on page 71.

TERMS OF THE ISSUE

GENERAL TERMS OF THE ISSUE

Authority for the Issue

The Issue has been authorized by the Board of Directors of our Company pursuant to a resolution passed at their meeting held on June 6, 2020. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders' *vide* their resolution dated November 12, 2018 up to an amount of ₹19,000 Crore.

Principal Terms & Conditions of the Issue

The NCDs being offered as part of the Issue are subject to the provisions of the Debt Regulations, the Act, the Memorandum and Articles of Association of our Company, the terms of this Tranche I Prospectus, the Shelf Prospectus, the Abridged Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/the Government of India/BSE/NSE, NHB, RBI, and/or other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Ranking of Unsecured NCDs

The Unsecured NCDs would constitute unsecured and subordinated obligations of the Company and shall rank *pari passu* inter se, and subject to any obligations under applicable statutory and/or regulatory requirements. The Unsecured NCDs proposed to be issued under this Tranche I Issue and all earlier issues of unsecured debentures outstanding in the books of our Company, if any, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption. The claims of the Unsecured NCD holders shall be subordinated to those of the other creditors of our Company, subject to applicable statutory and/or regulatory requirements. Our Company shall, subject to applicable RBI requirements and other applicable statutory and/or regulatory provisions, treat the Unsecured NCDs as Tier II Capital. The redemption of Unsecured NCDs is subject to the applicable RBI regulations and other statutory and regulatory requirements.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI Debt Regulations, any housing finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Fiscal 2020 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche I Prospectus, the Company is not required to create DRR for the purpose of redemption of the Unsecured NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the Unsecured NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

- A. in deposits with any scheduled bank, free from any charge or lien;
- B. in unencumbered securities of the Central Government or any State Government;
- C. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882;
- D. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882.

Provided further that the amount invested or deposited as above shall not be used for any purpose other than for redemption

of debentures maturing during the year referred above.

Face Value

The face value of each Unsecured NCD shall be ₹ 1,000.

Trustees for the Unsecured NCD Holders

Our Company has appointed Catalyst Trusteeship Limited to act as the Debenture Trustee for the Unsecured NCD Holders in terms of Regulation 4(4) of the Debt Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The Unsecured NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Unsecured NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Unsecured NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the Unsecured NCD Holder(s) shall discharge us *pro tanto* to the Unsecured NCD Holder(s).

The Debenture Trustee will protect the interest of the Unsecured NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Terms and Conditions of Debenture Trustee Agreement

Fees charged by Debenture Trustee

The Debenture Trustee has agreed for one time acceptance fee amounting to ₹ 1,200,000 (plus the applicable taxes) with service charge of ₹ 1,800,000 (plus the applicable taxes) for the services as agreed in the Consent Letter No. CL/MUM/2122/DEB/104 dated May 28, 2021.

Terms of carrying out due diligence:

As per the SEBI Circular “SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020 titled “*Creation of Security in issuance of listed debt securities and due diligence by debenture trustee(s)*”, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer company are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times. Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our company has consented to.

- (a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the offer document /disclosure document / information memorandum / private placement memorandum, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company’s assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee.
- (b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be relevant, where the assets and/or encumbrances in relation to the assets of the Company or any third party security provider are registered / disclosed.
- (c) Further, in the event that existing charge holders have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.
- (d) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the

relevant laws/ Applicable Law.

The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

Process of Due Diligence to be carried out by the Debenture Trustee

Due Diligence will be carried out as per DT regulations and circulars issued by SEBI from time to time. This would broadly include the following:

- A Chartered Accountant (“CA”) appointed by Debenture Trustee will conduct independent due diligence as per scope provided, regarding security offered by the Issuer.
- CA will ascertain, verify, and ensure that the assets offered as security by the Issuer is free from any encumbrances or necessary permission / consent / NOC has been obtained from all existing charge holders.
- CA will conduct independent due diligence on the basis of data / information provided by the Issuer.
- CA will, periodically undertake due diligence as envisaged in SEBI circulars depending on the nature of security.
- On basis of the CA’s report / finding Due Diligence certificate will be issued by Debenture Trustee and will be filed with relevant Stock Exchanges.
- Due Diligence conducted is premised on data / information made available to the Debenture Trustee appointed agency and there is no onus of responsibility on Debenture Trustee or its appointed agency for any acts of omission / commission on the part of the Issuer.

Debenture Trustee in no way guarantees / assures full recovery / partial of either principal or interest.

Other Confirmations

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI circulars titled (i) “Creation of Security in issuance of listed debt securities and ‘due diligence’ by debenture trustee(s)” dated November 3, 2020; and (ii) “Monitoring and Disclosures by Debenture Trustee(s)” dated November 12, 2020.

CATALYST TRUSTEESHIP LIMITED HAVE FURNISHED TO STOCK EXCHANGES A DUE DILIGENCE CERTIFICATE DATED JUNE 17, 2021, AS PER THE FORMAT SPECIFIED IN ANNEXURE A TO THE DT CIRCULAR WHICH READS AS FOLLOWS:

- 1. WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS, WE CONFIRM THAT:**
 - A. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND/OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED.**
 - B. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).**
 - C. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.**
 - D. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS/ PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/**

INFORMATION MEMORANDUM WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.

- E. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM.**
- F. ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION.**

WE HAVE SATISFIED OURSELVES ABOUT THE ABILITY OF THE ISSUER TO SERVICE THE DEBT SECURITIES.

Our Company undertakes that it shall submit the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annexure A of the DT Circular.

Debenture Trust Deed

Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us, as per the extant SEBI regulations applicable for the proposed Tranche I Issue.

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the Unsecured NCDs or with the sanction of a special resolution, passed at a meeting of the Unsecured NCD Holders, (subject to being indemnified and/or secured by the Unsecured NCD Holders to its satisfaction), give notice to our Company specifying that the Unsecured NCDs and/or any particular series of Unsecured NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice *inter alia* if any of the events listed below occurs. The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed.

Indicative list of Events of Default:

1. default is committed in payment of the principal amount of the NCDs on the due date(s);
2. default is committed in payment of any interest on the NCDs on the due date(s);
3. Default is committed in payment of any other amounts outstanding and such default continues for a period of 15 (fifteen) days;
4. Defaults in performance or compliance with one or more of its material obligations in relation to the NCDs and/or the Transaction Documents, which default is incapable of remedy or, if in the reasonable opinion of the Debenture Trustee is capable of remedy, is not remedied within 30 (thirty) days of written notice of such default being provided to the Company by the Debenture Trustee;
5. Default is committed in the performance or observance of any covenant, condition or provision contained in these presents and/or the financial covenants and conditions (other than the obligation to pay principal and interest) and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy (in which case no notice shall be required), such default continues for 30 (thirty) days after written notice has been given thereof by the Debenture Trustee to the Company requiring the same to be remedied;
6. Any material indebtedness of the Company for funds raised or availed by the Company, that is, material indebtedness for and in respect of monies borrowed or raised by the Company (whether or not for cash consideration) by whatever means (including acceptance, credits, deposits and leasing) becomes due prior to its stated maturity by reason of default of the terms thereof or if any such indebtedness is not paid at its stated maturity (in the reasonable opinion of the Debenture Trustee), or there is a default in making payments due under any guarantee or indemnity given by the Company in respect of the material indebtedness of borrowed monies of any person, and proceedings are initiated by the relevant lender or creditor in connection with such default, for recovery of such indebtedness or for enforcement or

invocation of such guarantee or indemnity;

7. The Company has voluntarily or involuntarily become the subject of proceedings under any bankruptcy or insolvency law or the Company is voluntarily or involuntarily dissolved;
8. The Company is unable to or has admitted in writing its inability to pay its material debts as and when the same are due or it is certified by an accountant appointed by the Debenture Trustee that based on the examination of the financial condition of the Company by reason of the Company's liquidity position, insufficiency of cash flows, or otherwise, it is unlikely that the Company would be in a position to pay its obligations in connection with the NCDs;
9. If the Company is unable to pay its debts
10. The Company ceases to carry on its business or gives notice of its intention to do so; and
11. If the Company enters into amalgamation, reorganisation or reconstruction without the prior consent of the Debenture Trustee in writing as per requirements of Applicable Laws.

In accordance with the circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI on "Standardisation of procedure to be followed by Debenture Trustee(s) in case of 'Default' by Issuers of listed debt securities", post the occurrence of a "default", the consent of the Unsecured NCD Holders for entering into an inter-creditor agreement (the "ICA")/enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the Unsecured NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Unsecured NCD Holder not a Shareholder

The Unsecured NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI LODR Regulations.

Rights of Unsecured NCD Holders

Some of the significant rights available to the Unsecured NCD Holders are as follows:

1. The Unsecured NCDs shall not, except as provided in the relevant provisions of the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the Unsecured NCD Holders thereof any rights or privileges available to our Shareholders including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the Unsecured NCDs is to be placed before the Shareholders, the said resolution will first be placed before the concerned registered Unsecured NCD Holders for their consideration. In terms of Section 136 of the Companies Act, 2013, the Unsecured NCD Holders shall be entitled to inspect a copy of the balance sheet and copy of trust deed at the Registered Office of our Company during business hours.
2. Subject to applicable statutory / regulatory requirements, including requirements of the RBI, the NHB, the rights, privileges and conditions attached to the Unsecured NCDs may be varied, modified and/or abrogated with the consent in writing of the Unsecured NCD Holders representing at least three-fourths in value of the Unsecured NCDs or with the sanction of a special resolution passed at a meeting of the concerned Unsecured NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the Unsecured NCDs, if the same are not acceptable to us.
3. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered Unsecured NCD Holders or in case of joint-holders, the one whose name stands first in the Register of Debenture Holders shall be entitled to vote in respect of such Unsecured NCDs, either in person or by proxy, at any meeting of the concerned Unsecured NCD Holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her

voting rights on every resolution placed before such meeting of the Unsecured NCD Holders shall be in proportion to the outstanding nominal value of Unsecured NCDs held by him/her.

4. The Depositories shall maintain the up to date record of holders of the Unsecured NCDs in dematerialised form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of Unsecured NCDs maintained by a Depository for any Unsecured NCD in dematerialised form under Section 11 of the Depositories Act shall be deemed to be a register of Debenture Holders for this purpose.
5. A register of Debenture Holders holding Unsecured NCDs in physical form pursuant to rematerialisation of the Unsecured NCDs issued pursuant to this Issue (“**Register of Debenture Holder**”) will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest/redemption amounts and principal sums becoming due and payable in respect of the Unsecured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of Debenture Holders as on the Record Date.
6. The Unsecured NCDs are subject to the provisions of the SEBI Debt Regulations, the relevant provisions of the Companies Act, 2013 applicable as on the date of this Tranche I Prospectus, our Memorandum and Articles of Association, the terms of the Shelf Prospectus, this Tranche I Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, the NHB and other applicable statutory and/or regulatory requirements relating to this Tranche I Issue and listing, of securities and any other documents that may be executed in connection with the Unsecured NCDs.
7. Subject to compliance with applicable statutory requirements, the Unsecured NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the Unsecured NCDs after providing 15 days prior notice for such roll over and in accordance with the SEBI Debt Regulations. Our Company shall redeem the Unsecured NCDs, who have not given their positive consent to the roll-over.

The aforementioned rights of the Unsecured NCD Holders are merely indicative. The final rights of the Unsecured NCD Holders will be as per the terms of the Offer Document and the Debenture Trust Deed.

Nomination facility to Unsecured NCD Holder

In accordance with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 (“**Rule 19**”) and the Companies Act, 2013, the sole Unsecured NCD holder, or first Unsecured NCD holder, along with other joint Unsecured NCD Holders’ (being individual(s)), may nominate, in the **Form No. SH.13**, any one person (being an individual) who, with whom, in the event of the death of the sole holder of all the joint-holders, as the case may be, shall become entitled to Unsecured NCDs. Where the nomination is made in respect of the Unsecured NCDs held by more than one person jointly, all joint holders shall together nominate in **Form No. SH.13** any person as nominee. A nominee entitled to the Unsecured NCDs by reason of the death of the original holder(s), will, in accordance with Rule 19 and Section 56 of the Companies Act, 2013, be entitled to the same benefits to which he or she will be entitled if he or she were the registered holder of the Unsecured NCDs. Where the nominee is a minor, the Unsecured NCD holder(s) may make a nomination to appoint, in **Form No. SH.14**, any person to become entitled to Unsecured NCDs in the event of the holder’s death during minority. A nomination will stand rescinded on a sale/transfer/alienation of Unsecured NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or with the Registrar to the Issue.

Unsecured NCD Holder(s) are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCD(s) to the nominee in the event of demise of the Unsecured NCD Holder(s). The signature can be provided in the Application Form or subsequently at the time of making fresh nominations. This facility of providing the specimen signature of the nominee is purely optional.

In accordance with Rule 19, any person who becomes a nominee by virtue of the Rule 19, will on the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as holder of Unsecured NCDs; or
- to make such transfer of the Unsecured NCDs, as the deceased holder could have made.

Further, our Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Unsecured NCDs, and if the notice is not complied with, within a period of 90 days, our Board may thereafter withhold payment of all interests or other monies payable in respect of the Unsecured NCDs, until the requirements of the notice have been complied with.

Since the allotment of Unsecured NCDs will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant.

Jurisdiction

Exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

Application in this Tranche I Issue

Unsecured NCDs being issued through this Tranche I Prospectus, in dematerialised form only, can be applied for, through a valid Application Form filled in by the Applicant along with attachment, as applicable. Further, Applications in this Tranche I Issue shall be made through the ASBA facility only.

In terms of Regulation 4(2)(d) of the SEBI Debt Regulations, our Company will make public issue of the Unsecured NCDs in the dematerialised form only.

However, in terms of Section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the Unsecured NCDs in physical form will rematerialise the Unsecured NCDs. However, any trading of the Unsecured NCDs shall be compulsorily in dematerialised form only.

Form of Allotment and Denomination of Unsecured NCDs

As per the Debt Regulations, the trading of the Unsecured NCDs on the Stock Exchange shall be in dematerialized form only in multiples of 1 (one) Unsecured NCD (“**Market Lot**”). Allotment in this Tranche I Issue to all Allottees, will be in electronic form i.e., in dematerialised form and in multiples of one Unsecured NCD.

For details of allotment see “*Issue Procedure*” beginning on page 71.

Transfer/Transmission of Unsecured NCD(s)

The Unsecured NCDs shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar.

In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer’s DP account to his depository participant.

Please see “*Issue Structure – Interest*” on page 50 for the implications on the interest applicable to Unsecured NCDs held by Individual Investors on the Record Date and Unsecured NCDs held by Non Individual Investors on the Record Date.

Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 (“**SEBI LODR IV Amendment**”), Unsecured NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the Unsecured NCDs issued pursuant to this Tranche I Issue shall be compulsorily in dematerialized form only.

Title

In case of:

- the Unsecured NCDs held in the dematerialised form, the person for the time being appearing in the record of beneficial owners maintained by the Depository; and

- the Unsecured NCD held in physical form, pursuant to any rematerialisation, the person for the time being appearing in the Register of Debenture Holders as Debenture Holder,

shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated NCD Certificate issued in respect of the Unsecured NCDs and no person will be liable for so treating the Debenture Holder.

No transfer of title of Unsecured NCD will be valid unless and until entered on the Register of Debenture Holders or the register and index of Debenture Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Maturity Amount, as the case may be, will be paid to the person, whose name appears first in the Register of Debenture Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the Unsecured NCDs will need to be settled with the seller of the Unsecured NCDs and not with our Company or the Registrar.

Register of Unsecured NCD Holders

No transfer of title of a Unsecured NCD will be valid unless and until entered on the Register of NCD Holders (for re materialized NCDs) or the register and index of NCD Holders maintained by the Depository prior to the Record Date. In the absence of transfer being registered, interest and/or Maturity Amount, as the case may be, will be paid to the person, whose name appears first in the Register of NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the Unsecured NCDs will need to be settled with the seller of the Unsecured NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company and the Companies Act shall apply, mutatis mutandis (to the extent applicable) to the Unsecured NCDs as well.

Succession

Where Unsecured NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the Unsecured NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased Unsecured NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased Unsecured NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, our Company will recognise the executors or administrator of the deceased Unsecured NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of our Company, the Board, any Committee of the Board or any other person authorised by the Board, in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of Unsecured NCD Holders who are holding Unsecured NCDs in dematerialized form, third person is not required to approach our Company to register his name as successor of the deceased Unsecured NCD Holder. The Unsecured NCD Holder shall approach the respective Depository Participant for this purpose and submit necessary documents as required by the Depository Participant.

Where a non-resident Indian becomes entitled to the Unsecured NCDs by way of succession, the following steps have to be complied with:

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Unsecured NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased Unsecured NCD Holder.
2. Proof that the non-resident Indian is an Indian national or is of Indian origin.
3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

Where two or more persons are holders of any Unsecured NCD(s), they shall be deemed to hold the same as joint holders with benefits of survivorship subject to other provisions contained in the Articles.

Procedure for rematerialisation of Unsecured NCDs

Unsecured NCD Holders who wish to hold the Unsecured NCDs in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. Holders of the Unsecured NCDs who propose to rematerialize their Unsecured NCDs, would have to mandatorily submit details of their bank mandate along with a copy of any document evidencing that the bank account is in the name of the holder of such Unsecured NCDs and their Permanent Account Number to our Company and the Depository Participant. No proposal for rematerialisation of Unsecured NCDs would be considered if the aforementioned documents and details are not submitted along with the request for such rematerialisation.

Restriction on transfer of Unsecured NCDs

There are no restrictions on transfers and transmission of Unsecured NCDs allotted pursuant to the Tranche I Issue. Pursuant to the SEBI LODR Amendment, Unsecured NCDs held in physical form, pursuant to any re-materialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Tranche I Issue shall be compulsorily in dematerialized form only. Unsecured NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018.

Period of Subscription

TRANCHE I ISSUE PROGRAMME*	
Tranche I Issue Opens on	Tuesday, July 6, 2021
Tranche I Issue Closes on	Wednesday, July 28, 2021

* The Tranche I 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 Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors/ or the Finance Committee. In the event of an early closure or extension of the Tranche I Issue; our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a reputed daily national newspaper on or before such earlier or extended date of Issue Closure. On the Tranche I Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE and NSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day after the Tranche I Issue Closing Date For further details please see “**Issue Related Information**” on page 50.

Further please note that Application Forms for the Tranche I Issue shall be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time, “**IST**”) (“**Bidding Period**”) during the Tranche I Issue Period as mentioned above by the (a) by the Designated Intermediaries at the Bidding Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs as mentioned on the Application Form, except that on the Tranche I Issue Closing Date when Applications shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and shall be uploaded until 5.00 p.m. (IST) or such extended time as permitted by Stock Exchange(s). It is clarified that the Applications not uploaded in the Stock Exchange(s) Platform would be rejected.

Due to limitation of time available for uploading the Applications on the Tranche I Issue Closing Date, the Applicants are advised to submit their Applications one day prior to the Tranche I Issue Closing Date and, in any case, no later than 3.00 p.m. (Indian Standard Time) on the Tranche I Issue Closing Date. All times mentioned in this Tranche I Prospectus are Indian Standard Time. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, as is typically experienced in public offerings, some Applications may not get uploaded due to lack of sufficient time.

Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday). Neither our Company, nor the Lead Managers, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to faults in any software/hardware system or otherwise. Please note that, within each category of investors, the Basis of Allotment under this Tranche I Issue will be on date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

Interest and Payment of Interest

Interest on Unsecured NCDs

Series I Unsecured NCD

In case of Series I Unsecured NCDs, interest would be paid annually on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series I Unsecured NCD:

Category of Unsecured NCD Holders	Coupon (%)
Category I, II, III & IV	10.00%

Series I Unsecured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 87 months from the Deemed Date of Allotment.

Series II Unsecured NCD

In case of Series II Unsecured NCDs, interest would be paid monthly on Actual/Actual basis at the following rate of interest on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series II Unsecured NCD:

Category of Unsecured NCD Holders	Coupon (%)
Category I, II, III & IV	9.60%

Series II Unsecured NCDs shall be redeemed at the face value thereof along with the interest accrued thereon, if any, at the end of 87 months from the Deemed Date of Allotment.

Series III Unsecured NCD

In case of Series III Unsecured NCDs, the Unsecured NCDs shall be paid interest along with the principal and would be redeemed at the end of 87 months from the Deemed Date of Allotment as mentioned below:

Category of Unsecured NCD Holders	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
Category I, II, III & IV	1,000	2,000

Payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of Unsecured NCDs shall be determined at the time of Allotment of Unsecured NCDs. Unsecured NCDs once allotted under any particular Series of Unsecured NCDs shall continue to bear the applicable Tenor, Coupon/Yield and Redemption Amount as at the time of original Allotment irrespective of the category of Unsecured NCD Holder on any Record Date, and such tenor, coupon/yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of Unsecured NCDs between the categories of persons or entities in the secondary market.

We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Investors. In such cases, interest, on the interest payment date, would be directly credited to the account of those Investors who have given their bank mandate.

We may offer the facility of NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help Unsecured NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. Refer to the paragraph on “*Terms of Issue - Manner of Payment of Interest/ Refund*” at page 66.

Payment of Interest will be made to those Unsecured NCD Holders whose names appear in the register of Unsecured NCD Holders (or to first holder in case of joint-holders) as on Record Date. For Unsecured NCDs subscribed, in respect to Series II, where the interest is to be paid on a monthly basis, relevant interest will be calculated on an actual/actual basis on the amount outstanding from time to time commencing from the Deemed Date of Allotment during the tenor of such Unsecured NCDs. For Unsecured NCDs subscribed, in respect to Series II, where the interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last day of every month during the tenor of such Unsecured NCDs and paid on the first day of every subsequent month. For the first interest payment for Unsecured NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed along with the interest of the subsequent month and paid on the first day of the month next to that subsequent month. For example, assuming Deemed Date of Allotment (tentative) as August 3, 2021, first interest payment will be from the Deemed Date of Allotment till August 31, 2021 and will be paid on September 1, 2021.

Basis of payment of Interest

Our Company may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Investors. In such cases, interest, on the interest payment date, would be directly credited to the account of those Investors who have given their bank mandate.

Our Company may offer the facility of NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help Unsecured NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. Refer to the paragraph on “*Terms of Issue - Manner of Payment of Interest / Refund*” at page 66.

Taxation

Any tax exemption certificate/document must be lodged at the office of the Registrar at least 7 (seven) days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company’s books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

As per clause (ix) of Section 193 of the I.T. Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed Unsecured NCDs held in the dematerialized form.

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day, in accordance with the Working Day Convention. Payment of interest would be subject to the deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force.

Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled “Issue Procedure” on page 71, please note that in case the Unsecured NCDs are transferred and/or transmitted in accordance with the provisions of this Tranche I Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such Unsecured NCDs or the deceased holder of Unsecured NCDs, as the case may be, shall be entitled to any interest which may have accrued on the Unsecured NCDs.

Day Count Convention:

Interest shall be computed on an actual / actual basis on the principal outstanding on the Unsecured NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Effect of holidays on payments:

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the Unsecured NCDs until but excluding the date of such payment. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

Illustration for guidance in respect of the day count convention and effect of holidays on payments:

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016 is disclosed in this Tranche I Prospectus.

Maturity and Redemption

The manner of payment of interest / refund / redemption in connection with the Unsecured NCDs is set out below:

The bank details will be obtained from the Depositories for payment of interest / refund / redemption as the case may be. Applicants who have applied for or are holding the Unsecured NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of interest / refund / redemption amounts to the Applicant at the Applicant's sole risk, and neither the Lead Managers our Company nor the Registrar to the Issue shall have any responsibility and undertake any liability for the same.

Put / Call Option

NA

Application Size

Each application should be for a minimum of ten Unsecured NCDs and multiples of One Unsecured NCD thereafter (for all series of NCDs, namely Series I, Series II and Series III taken individually or collectively). The minimum application size for each application for Unsecured NCDs would be ₹ 10,000 and in multiples of ₹1,000 thereafter.

Applicants can apply for any or all Series of Unsecured NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of Unsecured NCDs that can be held by them under applicable statutory and or regulatory provisions.

Terms of Payment

The entire issue price of ₹ 1,000 per Unsecured NCD is payable on application itself. In case of allotment of lesser number of Unsecured NCDs than the number of Unsecured NCDs applied for, our Company shall instruct the SCSBs to unblock the excess amount blocked on application in accordance with the terms of this Tranche I Prospectus .

Manner of Payment of Interest / Refund

The manner of payment of interest / refund in connection with the Unsecured NCDs is set out below:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants are advised to keep their bank account details as appearing on the records of the depository participant updated at all points of time. Please note that failure to do so could result in delays in credit of Interest/ Redemption Amounts at the Applicant's sole risk, and the Lead Managers, our Company or the Registrar shall have no responsibility and undertake no liability for the same.

Printing of Bank Particulars on Interest Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. Unsecured NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of Unsecured NCDs held in physical form on account of rematerialisation, the Investors are advised to submit their bank account details with our Company / Registrar at least seven days prior to the Record Date failing which the orders / warrants will be dispatched to the postal address of the holder of the Unsecured NCD as available in the records of our Company. Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against Unsecured NCDs

Pursuant to the RBI Circular dated June 27, 2013, our Company is not permitted to extend any loans against the security of its Unsecured NCDs.

Buy Back of Unsecured NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of Unsecured NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the Unsecured NCD Holders to offer the Unsecured NCDs held by them through one or more buy-back schemes and/or letters of offer upon such terms and conditions as our Company may from time to time determine, subject to applicable statutory and/or regulatory requirements. Such Unsecured NCDs which are bought back may be extinguished, re-issued and/or resold in the open market with a view of strengthening the liquidity of the Unsecured NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Form and Denomination of Unsecured NCDs

In case of Unsecured NCDs held in physical form on account of rematerialisation, a single certificate will be issued to the Unsecured NCD Holder for the aggregate amount of the Unsecured NCDs held (“**Consolidated Certificate**”). The Applicant can also request for the issue of Unsecured NCD certificates in denomination of one “Unsecured NCD (“**Market Lot**”). In case of Unsecured NCDs held under different Options, as specified in this Tranche I Prospectus, by a Unsecured NCD Holder, separate Consolidated Certificates will be issued to the Unsecured NCD Holder for the aggregate amount of the Unsecured NCDs held under each Option.

It is, however, distinctly to be understood that the Unsecured NCDs pursuant to this issue shall be traded only in dematerialized form.

In respect of Consolidated Certificates, only upon receipt of a request from the Unsecured NCD Holder, the Consolidated Certificates would be split into smaller denominations, subject to the minimum of Market Lot. No fee would be charged for splitting of Unsecured NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the Unsecured NCD Holder. The request for splitting should be accompanied by the original Unsecured NCD certificate, which would then be treated as cancelled.

Procedure for Redemption by Unsecured NCD Holders

The procedure for redemption is set out below:

Unsecured NCDs held in physical form on account of re-materialization:

No action would ordinarily be required on the part of the Unsecured NCD Holder at the time of redemption and the redemption proceeds would be paid to those Unsecured NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the Unsecured NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the Unsecured NCD certificates) be surrendered for redemption on maturity and should be sent by the Unsecured NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. Unsecured NCD Holders may be requested to surrender the Unsecured NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the Unsecured NCDs without the requirement of surrendering of the Unsecured NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of Unsecured NCDs need not submit the Unsecured NCD certificates to us and the redemption proceeds would be paid to those Unsecured NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of Unsecured NCDs. In such case, the Unsecured NCD certificates would be deemed to have been cancelled.

Payment on Redemption

Unsecured NCDs held in physical form on account of re-materialization:

The payment on redemption of the Unsecured NCDs will be made by way of cheque/pay order/ electronic modes. However, if our Company so requires, the aforementioned payment would only be made on the surrender of Unsecured NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the Unsecured NCD certificates). Dispatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged Unsecured

NCD certificate.

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those Unsecured NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption.

Our liability to Unsecured NCD Holders towards their rights including for payment or otherwise shall stand extinguished from the redemption in all events and when we dispatch the redemption amounts to the Unsecured NCD Holders.

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the Unsecured NCDs.

Unsecured NCDs held in electronic form:

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those Unsecured NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us. These names would be as per the Depositories' records on the Record Date fixed for the purpose of redemption. These Unsecured NCDs will be simultaneously extinguished to the extent of the amount redeemed through appropriate debit corporate action upon redemption of the corresponding value of the Unsecured NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of Unsecured NCD Holders.

Our liability to Unsecured NCD Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the Unsecured NCD Holder(s).

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the Unsecured NCD(s).

Right to Reissue Unsecured NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any Unsecured NCD(s), we shall have and shall be deemed always to have had the right to keep such Unsecured NCDs in effect without extinguishment thereof, for the purpose of resale or reissue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such Unsecured NCDs either by reselling or reissuing the same Unsecured NCDs or by issuing other Unsecured NCDs in their place. The aforementioned right includes the right to reissue original Unsecured NCDs.

Sharing of Information

Our Company may, at its option, use on our own, as well as exchange, share or part with any financial or other information about the Unsecured NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the Unsecured NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper in Mumbai and/or will be sent by speed post/ courier or through email or other electronic media to the Registered Holders of the Unsecured NCD(s) from time to time.

Future Borrowings

Our Company will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ Unsecured NCDs/other securities in any manner having such ranking in priority, *pari passu* or otherwise, subject to stipulated security cover being maintained and applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, and change the capital structure including the issue of shares of any class, on such terms and conditions as we may think appropriate, provided stipulated security cover is maintained on the Unsecured NCDs and after obtaining the consent of, or intimation to, the Unsecured NCD Holders or the Debenture Trustee regarding the creation of a charge over such security.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447 of the Companies Act, 2013.”

Pre-closure

Our Company, in consultation with the Lead Managers reserves the right to close the Tranche I Issue at any time prior to the Tranche I Issue Closing Date, subject to receipt of minimum subscription or as may be specified in this Tranche I Prospectus. Our Company shall allot Unsecured NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described in this Tranche I Prospectus and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or this Tranche I Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the issue have been given.

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size. If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Tranche I Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within six working days from the Tranche I Issue Closing Date provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Account(s) of the Applicants within six working days from the Tranche I Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Utilisation of Application Amount

The sum received in respect of the Tranche I Issue will be kept in separate bank account(s) and we will have access to such funds only upon allotment of the Unsecured NCDs, execution of Debenture Trust Deed(s) and on receipt of listing and trading approval from the Stock Exchange as per applicable provisions of law(s), regulations and approvals.

Utilisation of the Tranche I Issue Proceeds

- (a) All monies received pursuant to the Tranche I Issue of Unsecured NCDs to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.
- (b) Details of all monies utilised out of Tranche I Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised; and
- (c) Details of all unutilised monies out of issue of Unsecured NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
- (d) Our Company shall utilise the Tranche I Issue proceeds only upon execution of the Debenture Trust Deed as stated in this Tranche I Prospectus, receipt of the listing and trading approval from the Stock Exchanges and on receipt of the minimum subscription of 75% of the Base Issue.
- (e) The Tranche I Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property.
- (f) Details of all utilized and unutilized monies out of the monies collected in the previous issue made by way of public

offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized and the securities or other forms of financial assets in which such unutilized monies have been invested.

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

A copy of the Shelf Prospectus and this Tranche I Prospectus will be filed with the RoC, in accordance with Section 26 and Section 31 of Companies Act, 2013.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013, our Company will issue a statutory advertisement on or before the Tranche I Issue Opening Date. This advertisement will contain the information as prescribed in Schedule IV of SEBI Debt Regulations in compliance with the Regulation 8(1) of SEBI Debt Regulations.

Material updates, if any, between the date of filing of the Shelf Prospectus and this Tranche I Prospectus with ROC and the date of release of the statutory advertisement will be included in the statutory advertisement.

Listing

The Unsecured NCDs offered through this Tranche I Prospectus are proposed to be listed on the BSE and NSE. Our Company has obtained an 'in-principle' approval for the Issue from BSE *vide* its letter no. DCS/BM/PI-BOND/006/21-22 dated June 24, 2021 and NSE *vide* its letter no. NSE/LIST/D/2021/0061 dated June 24, 2021. For the purposes of the Issue, NSE shall be the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 6 Working Days of the Tranche I Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of Unsecured NCDs shall not be listed.

Guarantee/Letter of Comfort

This Tranche I Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Audit Committee shall monitor the utilization of the proceeds of the Tranche I Issue. For the relevant Fiscals commencing from the Fiscals 2021-22, our Company will disclose in our financial statements, the utilization of the net proceeds of the Tranche I Issue under a separate head along with details, if any, in relation to all such proceeds of the Tranche I Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Tranche I Issue.

Lien

As per the RBI circular dated June 27, 2013, the Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the Unsecured NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company, subject to applicable law.

Lien on Pledge of NCDs

Subject to applicable law, our Company, at its discretion, may record a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding.

ISSUE PROCEDURE

This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI Circular CIR/DDHS/P/121/2018 dated August 16, 2018 (“Debt ASBA Circular”), which provides, inter-alia, that for all public issues of debt securities opening on or after October 1, 2018, all Applicants shall mandatorily use the ASBA facility for participating in the Tranche I Issue. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. Applicants ensure that their respective ASBA accounts can be blocked by the SCSBs, in the relevant ASBA Accounts.

In addition, specific attention is invited to SEBI Circular SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 (“Debt UPI Circular”), whereby retail individual investor may use the Unified Payment Interface (“UPI”) to participate in the public issue for an amount up to ₹ 200,000 being conducted on or after January 1, 2021.

Applicants should note that they may submit their Applications to the Designated Intermediaries at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Tranche I Prospectus .

Retail Individual Investors should note that they may use the UPI mechanism to block funds for application value upto ₹ 2 Lac submitted through the app/web interface of the Stock Exchanges or through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

Please note that this section has been prepared based on the circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, circular no. SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 (“Debt UPI Circular”) and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI (“ASBA Circular”). The Stock Exchanges have issued Operational guidelines and circulars available at BSE: <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60>, and <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61>; and for NSE at: <https://www1.nseindia.com/content/circulars/IPO46907.zip>; <https://www1.nseindia.com/content/circulars/IPO46867.zip>.

Specific attention is drawn to the circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchange.

Our Company and the Lead Managers do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Tranche I Prospectus . Investors are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws.

Further, the Company and the Lead Managers are not liable for any adverse occurrences consequent to the UPI Mechanism for application in the Tranche I Issue.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE(S) WILL NEED TO APPROACH THE RESPECTIVE STOCK EXCHANGE AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE RELEVANT STOCK EXCHANGE(S). THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THIS TRANCHE PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

THE LEAD MANAGERS, THE SYNDICATE MEMBERS/LEAD BROKERS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF TRADING MEMBERS/DESIGNATED INTERMEDIARIES IN CONNECTION WITH THE RESPONSIBILITY OF TRADING MEMBERS/DESIGNATED INTERMEDIARIES IN RELATION TO COLLECTION AND UPLOAD OF APPLICATION FORMS IN RESPECT OF THE ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY STOCK EXCHANGES. FURTHER, THE RELEVANT STOCK EXCHANGES WILL BE RESPONSIBLE FOR ADDRESSING INVESTOR GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS/DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.

Please note that for the purposes of this section, the term “Working Day” shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e., period beginning from the Tranche I Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai.

Availability of Prospectus and Application Forms

The copies of the Draft Shelf Prospectus, Shelf Prospectus, Abridged Prospectus containing the salient features of this Tranche I Prospectus (for a particular Tranche Issue) together with Application Forms may be obtained from our Registered Office or Corporate Office, Lead Managers to the Issue, Lead Brokers/Syndicate Members, the Registrar to the Issue and the Designated Branches of the SCSBs. Additionally, the Shelf and Tranche Prospectus (for a particular Tranche Issue) and the Application Forms will be available for download on the websites of BSE at www.bseindia.com and NSE at www.nseindia.com. A unique application number (“UAN”) will be generated for every Application Form downloaded from the websites of the Stock Exchange(s) i.e. BSE at www.bseindia.com and NSE at www.nseindia.com. Hyperlinks to the websites of the Stock Exchange(s) for this facility will be provided on the websites of the Lead Managers and the SCSBs.

In addition, Application Forms would also be made available to all the recognised stock exchanges. Further, Application Forms will also be provided to Trading Members at their request.

Our Company may provide Application Forms for being filled and downloaded at such websites as we may deem fit. The Issuer may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, online demat account portals may also provide the facility of submitting the Application Forms online to their account holders’.

Who can apply?

The following categories of persons are eligible to apply in this Tranche I Issue.

Category I

- Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds with a minimum corpus of ₹250 million, 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;
- 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

- Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ 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/private charitable/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; and
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009).
- Association of Persons; and
- Any other incorporated and/ or unincorporated body of persons

Category III

- High Net-worth Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹1,000,000 across all options of NCDs in this Tranche I Issue.

Category IV

- 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 this Tranche I Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in this Tranche I Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.
- Please note that it is clarified that person(s) resident outside India shall not be entitled to participate in the Issue and any Application(s) from such persons are liable to be rejected.

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.

Applicants are advised to ensure that applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and or regulatory provisions.

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 Tranche I Issue.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in the Tranche I Issue.

The information below is given for the benefit of Applicants. Our Company and the Lead Managers are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Tranche I Prospectus .

How to apply?

Availability of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, Abridged Prospectus and Application Forms.

Please note that there is a single Application Form for who are persons resident in India.

Copies of the Abridged Prospectus containing the salient features of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus together with Application Forms and copies of this Tranche I Prospectus may be obtained from our Registered Office, the Lead Managers, the Registrar to the Issue and the Designated Branches of the SCSBs. Additionally, the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and the Application Forms will be available

- (i) for download on the website of BSE at www.bseindia.com, on the website of NSE at www.nseindia.com and the website of the Lead Managers at www.edelweissfin.com, www.iiflcap.com, www.icicisecurities.com, www.trustgroup.in and www.equirus.com
- (ii) at the designated branches of the SCSBs and the Syndicate Members at the Specified Locations.

Electronic Application Forms will also be available on the website of the Stock Exchange. A unique application number ("UAN") will be generated for every Application Form downloaded from the websites of the Stock Exchange. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Method of Application

In terms of the SEBI circular CIR/DDHS/P/121/2018 dated August 16, 2018, an eligible investor desirous of applying in this Tranche I Issue can make Applications through the ASBA mechanism only.

Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism, as applicable.

All Applicants shall mandatorily apply in this Tranche I Issue through the ASBA process only. Applicants intending to subscribe in this Tranche I Issue shall submit a duly filled Application form to any of the Designated Intermediaries. Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Form (except the Bid cum Application Form from a Retail Individual Investor bidding using the UPI mechanism) to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants should submit the Application Form only at the Bidding Centres i.e., to the respective Syndicate Members at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at www.sebi.gov.in.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms (except a Bid cum Application Form from RIBs using the UPI Mechanism) with the SCSB with whom the relevant ASBA Accounts are maintained.

Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a RIB who is not Bidding using the UPI Mechanism.

For RIBs using UPI Mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

The Sponsor Bank shall provide details of the UPI linked bank account of the Bidders to the Registrar to the Issue for purpose of reconciliation.

RIBs using the UPI Mechanism must provide the UPI ID in the relevant space provided in the Bid cum Application Form and the Bid cum Application Form that does not contain the UPI ID are liable to be rejected.

RIBs using UPI Mechanism, submitting a Bid-cum Application Form to any Designated Intermediary (other than SCSBs) should ensure that only the UPI ID is mentioned in the field for Payment Details in the Bid cum Application Form. Application Forms submitted by RIBs using UPI Mechanism to Designated Intermediary (other than SCSBs) with ASBA Account details, are liable to be rejected.

Further, such Bidders including RIBs using the UPI Mechanism, shall ensure that the Bids are submitted at the Bidding Centres only on Bid cum Application Forms bearing the stamp of the relevant Designated Intermediary (except in case of electronic Bid-cum-Application Forms) and Bid cum Application Forms (except electronic Bid-cum-Application Forms) not bearing such specified stamp may be liable for rejection. Bidders must ensure that the ASBA Account has sufficient credit balance such that an amount equivalent to the full Bid Amount can be blocked by the SCSB or the Sponsor Bank, as applicable, at the time of submitting the Bid. Designated Intermediaries (other than SCSBs) shall not accept any ASBA Form from a RIB who is not Bidding using the UPI Mechanism.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Tranche I Issue should be made by Applicants directly to the relevant Stock Exchange.

In terms of the Debt UPI Circular, an eligible investor desirous of applying in this Tranche I Issue can make Applications through the following modes:

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (i.e., Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)
 - a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchange bidding platform and blocking of funds in investors account by the SCSB would continue.
 - b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.
 - c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹2 lac or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI mechanism in this case.

2. Through Stock Exchanges

- a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchanges (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism.
- b. The Stock Exchanges have extended their web-based platforms i.e., 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto ₹ 2 Lac. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.
- c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: <https://www.bsedirect.com>; and NSE: www.nseindiaipo.com.
- d. The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications.
- e. For further details on the registration process and the submission of bids through the App or web interface, the Stock Exchanges have issued operational guidelines and circulars available at BSE:
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60>, and
<https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61>;
NSE: <https://www1.nseindia.com/content/circulars/IPO46907.zip>;
<https://www1.nseindia.com/content/circulars/IPO46867.zip>.

Application Size

Each application should be for a minimum of 10 NCDs across all series collectively and multiples of 1 NCD thereafter (for all series of NCDs taken individually or collectively). The minimum application size for each application for NCDs would be ₹10,000 across all series collectively and in multiples of ₹1,000 thereafter.

Applicants can apply for any or all series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

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 as specified in this Tranche I Prospectus.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 (“**SEBI Circular 2019**”), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 10% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. However the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme Further, the group level limits for debt schemes and the ceiling be fixed at 10% of net assets value extendable to 15% of net assets value after prior approval of the board of trustees. A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks can apply in this Tranche I Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney ; (iii) a board resolution authorising investments; and (iv) a letter of authorisation.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Pursuant to SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Insurance Companies

Insurance companies registered with the IRDAI can apply in this Tranche I Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; and (iv) specimen signatures of authorised signatories.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Indian Alternative Investments Funds

Applications made by ‘alternative investment funds’ eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the “**SEBI AIF Regulations**”) for Allotment of the Unsecured NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment

In case of Applications made by Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of

constitution, as applicable, (ii) Power of Attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for Unsecured NCDs pursuant to this Tranche I Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of Unsecured NCDs that can be held by them under applicable statutory and/ or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for Unsecured NCDs pursuant to this Tranche I Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of Unsecured NCDs that can be held by them under applicable statutory and or regulatory provisions.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by Public Financial Institutions or statutory corporations, which are authorized to invest in the Unsecured NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ Rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications made by companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Indian scientific and/ or industrial research organizations, which are authorized to invest in the Unsecured NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the Unsecured NCDs must be accompanied by certified true copies of: (i) any act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Unsecured NCDs in whole or in part, in either case, without assigning any reason therefor.

Partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Unsecured NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications under a power of attorney by limited companies, corporate bodies and registered societies

In case of Applications made pursuant to a power of attorney by Applicants from Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form.

Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

In case of Applications made pursuant to a power of attorney by Applicants from Category III and Category IV, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form.

Failing this our Company, in consultation with the Lead Managers, reserves the right to reject such Applications.

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the Unsecured NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the Unsecured NCDs, for Allotment of the Unsecured NCDs must be accompanied by certified true copies of: (i) any act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Unsecured NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Funds

Application made by a National Investment Fund for Allotment of the Unsecured NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons.

Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Unsecured NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by Systematically Important Non-banking financial companies

Applications made by systematically important non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) memorandum and article of association / charter of constitution (ii) power of attorney (iii) board Resolution authorising investments; and (iv) specimen signature of authorized person.

Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

The Lead Members and their respective associates and affiliates are permitted to subscribe in the Issue.

Applications cannot be made by:

- (a) Minors without a guardian name* (A guardian may apply on behalf of a minor. However, the name of the guardian will also need to be mentioned on the Application Form);
- (b) 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;
- (c) Persons resident outside India and other foreign entities;
- (d) Foreign Institutional Investors;
- (e) Foreign Portfolio Investors;
- (f) Non Resident Indians;
- (g) Qualified Foreign Investors;
- (h) Overseas Corporate Bodies**;
- (i) Foreign Venture Capital Funds; and
- (j) 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 Exchange by the Designated Intermediaries.

Based on the information provided by the Depositories, our 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 Exchange.

***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.*

Payment instructions

Payment mechanism for Applicants

The Applicants shall specify the ASBA Account number in the Application Form.

An Applicant may submit the completed Application Form to designated intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

An Applicant may submit the Application Form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is ₹ 2 lac or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism once the mandate request has been successfully accepted by the Applicant.

For ASBA Applications submitted to the Lead Managers or Trading Members of the Stock Exchange at the Specified Cities, the ASBA Application will be uploaded onto the electronic system of the Stock Exchange and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such ASBA Applications from the Lead Managers or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet

enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Lead Managers or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted Unsecured NCDs to the Public Issue Account(s), or until withdrawal/ failure of this Tranche I Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, the Registrar to the Issue shall send an appropriate request to the controlling branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount pertaining to Unsecured NCDs allotted to the successful Applicants to the Public Issue Account(s). The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within five Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of this Tranche I Issue or until rejection of the ASBA Application, as the case may be. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Additional Instructions for Retail Individual Investors using the UPI mechanism:

- a) Before submission of the application form with the Designated Intermediary, a Retail Individual Investor shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- b) The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchanges App/ Web interface.
- c) The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the Stock Exchange(s) bidding platform using appropriate protocols.
- d) Once the bid has been entered in the bidding platform, the Stock Exchange(s) shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- e) The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to Stock Exchange(s) which would be shared by the Stock Exchange(s) with the Designated Intermediaries through its platform, for corrections, if any.
- f) Once the bid details are uploaded on the Stock Exchange(s) platform, the Stock Exchange(s) shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next Working Day.
- g) Post undertaking validation with the Depository, the Stock Exchange(s) shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the Company.
- h) The Sponsor Bank shall initiate a mandate request on the investor i.e. request the investor to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
- i) The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- j) The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the bid details submitted by such investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by the Sponsor Bank would be a one-time mandate for each application in the Tranche I Issue.
- k) The investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of this Tranche I Issue period or any other modified closure date of

the Tranche I Issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next Working Day.

- l) The investor shall not be allowed to add or modify the bid(s) of the application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the investor can withdraw the bid(s) and reapply.
- m) For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 (T being the Tranche I Issue Closing Date) modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Tranche I Issue Closing Date) day till 1 pm.
- n) The facility of Re-initiation/ Resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- o) Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
- p) The information containing status of block request (e.g. accepted / decline / pending) would so be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange(s). The block request status would also be displayed on the Stock Exchange(s) platform for information of the intermediary.
- q) The information received from Sponsor Bank, would be shared by Stock Exchange(s) with the Registrar to the Issue in the form of a file for the purpose of reconciliation.
- r) Post closure of the Issue, the Stock Exchange(s) shall share the bid details with the Registrar to the Issue. Further, the Stock Exchange(s) shall also provide the Registrar to the Issue, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
- s) The allotment of debt securities shall be done as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013.
- t) The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.
- u) Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
- v) Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.
- w) Thereafter, Stock Exchange will issue the listing and trading approval.

The details of commission and processing fees payable to each intermediary along with timelines for payment shall be as mentioned in this Tranche I Prospectus.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.
2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.

3. Applications should be submitted on the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediaries, or the relevant Designated Branch, as the case may be, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of Unsecured NCDs only in dematerialized form.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Shelf Prospectus and Tranche Prospectus with ROC

A copy of the Shelf Prospectus and this Tranche I Prospectus shall be filed with the ROC in accordance with Section 26 and Section 31 of the Companies Act, 2013.

Pre-Issue Advertisement

Our Company will issue a statutory advertisement on or before the Tranche I Issue Opening Date. This advertisement will contain the information as prescribed under the SEBI Debt Regulations and Section 30 of the Companies Act, 2013. Material updates, if any, between the date of filing of the Shelf Prospectus and this Tranche I Prospectus with the ROC and the date of release of the statutory advertisement will be included in the statutory advertisement.

APPLICATIONS FOR ALLOTMENT OF UNSECURED NCDs IN THE DEMATERIALIZED FORM

Submission of Applications

Applicants can apply for Unsecured NCDs only using the ASBA facility pursuant to ASBA Circular. ASBA Applications can be submitted through either of the following modes:

- (a) Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of ASBA Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the electronic system of the Stock Exchange. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such ASBA Application and shall not upload such ASBA Application in the electronic system of the Stock Exchange. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application in the electronic mode, the Applicant shall submit the ASBA Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such ASBA Applications.
- (b) Physically through the Lead Brokers, Lead Managers, or Trading Members of the Stock Exchange only at the Specified Cities, i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Syndicate /Lead Brokers, Lead Managers or Trading Members of the Stock Exchange at the Specified Cities will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the ASBA Application, has not named at least one branch at that Specified City for the Syndicate /Lead Brokers, Lead Managers or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

Upon receipt of the Application Form by the Syndicate /Lead Brokers, Lead Managers or Trading Members of the Stock Exchange, as the case may be, an acknowledgement shall be issued by giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchange and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Specified City, named by such SCSB to accept such ASBA Applications from the Syndicate /Lead Brokers, Lead Managers or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). Upon receipt of the ASBA Application, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as

mentioned in the ASBA Form. If sufficient funds are not available in the ASBA Account, the relevant ASBA Application is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted Unsecured NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Tranche I Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

- (a) Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Lead Managers and Trading Members of the Stock Exchange at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchange at least one day prior to the Tranche I Issue Opening Date. Application Forms will also be provided to the Trading Members of the Stock Exchange at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Tranche Prospectus is made available on their websites.
- (b) The Designated Branches of the SCSBs shall accept ASBA Applications directly from Applicants only during the Tranche I Issue Period. The SCSB shall not accept any ASBA Applications directly from Applicants after the closing time of acceptance of Applications on the Tranche I Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA Applications from the Lead Managers or Trading Members of the Stock Exchange, as the case may be, after the closing time of acceptance of Applications on the Tranche I Issue Closing Date. For further information on the Issue programme, please refer to the section titled “**Issue Related Information**” on page 50.
- (c) In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Lead Managers or Trading Members of the Stock Exchange, as the case maybe, if not, the same shall be rejected. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that Applicants can make an Application for Allotment of Unsecured NCDs in the dematerialized form only.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only;
- Application Forms must be completed in block letters in English, as per the instructions contained in the Draft Shelf Prospectus, the Shelf Prospectus, the abridged Tranche Prospectus and the Application Form.
- 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.
- Applicants applying for Allotment in dematerialised form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant’s active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchange by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the Unsecured NCDs.
- The minimum number of Applications and minimum application size shall be specified in the Tranche Prospectus. Applicants may apply for one or more series of Unsecured NCDs Applied for in a single Application Form.
- 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.
- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta;
- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;

- No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Lead Managers, Trading Members of the Stock Exchange or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Lead Manager, Trading Member of the Stock Exchange or the Designated Branch of the SCSBs, as the case may be.
- Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form.
- All Applicants are required to tick the relevant column of “Category of Investor” in the Application Form.
- ASBA will be the default “Mode of Application” as per the ASBA Circular.
- Applicants should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant’s bank records, otherwise the Application is liable to be rejected.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Lead Managers, Trading Member of the Stock Exchange in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Lead Managers, Trading Member of the Stock Exchange, Public Issue Account Banks nor Designated Branches, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

Our Company would allot the Series I Unsecured NCDs, as specified in this Tranche I Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of Unsecured NCDs.

B. Applicant’s Beneficiary Account and Bank Account Details

Applicants applying for Allotment in dematerialized form must mention their DP ID, Client ID, PAN and UPI ID (in case applying through UPI Mechanism) in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialized form is submitted in the first Applicant’s name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchange do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialized form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialized form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID and Client ID provided by the Applicant in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchange, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, bank account details for printing on refund orders/sending refunds through electronic mode, Magnetic Ink Character Recognition (“**MICR**”) Code and occupation. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants’ sole risk, and neither our Company, the Lead Managers, Trading Members of the Stock Exchange, Public Issue Account Bank(s), SCSBs, Registrar to the Issue nor the Stock Exchange will bear any responsibility or liability for the same.

The Demographic Details would be used for correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders, or for refunds through electronic transfer of funds, as applicable. Allotment Advice and physical refund orders (as applicable) would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at such Applicants sole risk and neither our Company, the Lead Managers, Trading Members of the Stock Exchange, Public Issue Account Banks, SCSBs, Registrar to the Issue nor the Stock Exchange shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or

liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the Draft Shelf Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of refund orders/ Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Tranche I Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of Unsecured NCDs pursuant to the Tranche I Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID, UPI ID and PAN, then such Application are liable to be rejected.

Applicants should note that the Unsecured NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for Retail Individual Investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

Unified Payments Interface (UPI)

SEBI has issued Debt UPI circular on November 23, 2020 with reference number SEBI/HO/DDHC/CIR/P/2020/233 in relation to streamlining the process of public issue of inter alia debt issues. Pursuant to the Debt UPI circular, the UPI Mechanism has been introduced and will become applicable for public debt issues being conducted on or after January 1, 2021 as a payment mechanism (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

C. Permanent Account Number (PAN)

The Applicant should mention his or her Permanent Account Number (PAN) allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. However, Applications on behalf of the Central or State Government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. In accordance with Circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

However, the exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

D. Joint Applications

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.

E. Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the Unsecured NCDs for the same or other series of Unsecured NCDs, subject to a minimum application size and multiples as determined in the Tranche Prospectus. Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected. However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹1,000,000 shall be deemed such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a Hindu Undivided family and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of Unsecured NCDs under the Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Electronic registration of Applications

- (a) The Designated Intermediaries will register the Applications using the on-line facilities of Stock Exchange. The Lead Managers, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the Designated Intermediaries, (ii) the Applications (including the UPI ID, as applicable) uploaded by the Designated Intermediaries, (iii) the Applications accepted but not uploaded by the Designated Intermediaries, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (iv) Applications accepted and uploaded by the Designated Intermediaries for which the Application Amounts are not blocked by the SCSBs.
- (b) The Stock Exchange will offer an electronic facility for registering Applications for the Tranche I Issue. This facility will be available on the terminals of Syndicate Members and the other Designated Intermediaries during the Tranche I Issue Period. On the Tranche I Issue Closing Date, the Syndicate Members and the other Designated Intermediaries shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Syndicate Members and the other Designated Intermediaries on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Tranche I Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
- (c) Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchange, a graphical representation of consolidated demand for the Unsecured NCDs, as available on the websites of the Stock Exchange, would be made available at the Application centres as provided in the Application Form during the Tranche I Issue Period.
- (d) At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of Unsecured NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchange.
- (e) A system generated Acknowledgement Slip will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the Acknowledgement Slip from the Syndicate Members or the other Designated Intermediaries, as the case may be. The registration of the Applications by the Designated Intermediaries does not guarantee that the Unsecured NCDs shall be allocated/ Allotted by our Company. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind.
- (f) The permission given by the Stock Exchange to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Tranche I Prospectus, nor does it warrant that the Unsecured NCDs will be listed or will continue to be listed on the Stock Exchange.
- (g) In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange.

- (h) Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for Allotment. The Designated Intermediaries shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate, Designated Intermediaries will be given up to one Working Day after the Tranche I Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche I Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

General Instructions

Do's

1. Check if you are eligible to apply as per the terms of the Draft Shelf Prospectus, the Shelf Prospectus, the Tranche I Prospectus and applicable law;
2. Read all the instructions carefully and complete the Application Form in the prescribed form;
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of Unsecured NCDs pursuant to the Issue;
4. Ensure that the DP ID and Client ID are correct and beneficiary account is activated for Allotment of Unsecured NCDs in dematerialized form. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
5. Ensure that you have mentioned the correct details of ASBA Account (i.e., bank account number or UPI ID, as applicable) in the Application Form;
6. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Intermediaries, as the case may be.
7. In case of joint Bids, ensure that first Bidder is the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) and the signature of the first Bidder is included in the Bid cum Application Form;
8. Bidders (other than RIBs bidding through the non-UPI Mechanism) should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations.
9. Ensure that you have mentioned the correct ASBA Account number (for all Bidders other than RIBs using the UPI Mechanism) in the Bid cum Application Form;
10. RIBs using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;
11. RIBs bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue;
12. RIBs submitting a Bid cum Application Form using the UPI Mechanism, should ensure that: (a) the bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid is listed on the website of Stock Exchanges, as may be updated from time to time;
13. RIBs using the UPI Mechanism shall ensure that the bank, with which it has its bank account, where the funds equivalent to the application amount are available for blocking is UPI certified by NPCI;
14. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
15. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchange as per the procedures and requirements prescribed by each relevant Stock Exchange, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, fields namely, quantity,

series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes.

16. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
17. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange, match with the DP ID, Client ID and PAN available in the Depository database;
18. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;
19. Ensure that the Applications are submitted to the Lead Managers, Trading Members of the Stock Exchange or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Tranche I Issue Closing Date. For further information on the Issue programme, see "**Issue Related Information**" on page 50.
20. Ensure that the Demographic Details including PAN are updated, true and correct in all respects;
21. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek allotment of Unsecured NCDs pursuant to the Issue;
22. Permanent Account Number: Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
23. Ensure that 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;
24. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and
25. Tick the series of Unsecured NCDs in the Application Form that you wish to apply for.
26. Check if you are eligible to Apply under ASBA;
27. Ensure that you give the correct details of your ASBA Account including bank account number/ bank name and branch;
28. Ensure that your Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Lead Managers or Trading Members of the Stock Exchange at the Specified Cities, and not directly to the Public Issue Account Banks (assuming that such bank is not a SCSB) or to our Company or the Registrar to the Issue;
29. In case of ASBA Applications through Syndicate ASBA, before submitting the physical Application Form to the Trading Members of the Stock Exchange, ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Lead Managers or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Forms (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>);
30. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, in case of an SCSB making an ASBA Application, such ASBA Application should be made through an ASBA Account utilised solely for the purpose of applying in public issues and maintained in the name of such SCSB Applicant with a different SCSB, wherein clear demarcated funds are available.
31. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;
32. Bidders, other than RIBs using the UPI Mechanism, shall ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the Application Form and that your signature in the Application Form matches with your available bank records;
33. Ensure that you have correctly signed the authorisation/undertaking box in the Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through

- the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment; and
34. Retail Individual Investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;
 35. Ensure that you receive an acknowledgement from the Designated Branch or the concerned Lead Manager or Trading Member of the Stock Exchange, as the case may be, for the submission of the Application Form.
 36. For RIBs using the UPI Mechanism, ensure that you approve the Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to application amount and subsequent debit of funds in case of Allotment, in a timely manner;
 37. RIBs shall ensure that details of the Bid are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using his/her UPI PIN. Upon the authorization of the mandate using his/her UPI PIN, an RIB applying through UPI may be deemed to have verified the attachment containing the application details of the RIB applying through UPI in the UPI Mandate Request and have agreed to block the entire Bid Amount and authorized the Sponsor Bank to block the Bid Amount mentioned in the Bid Cum Application Form;
 38. RIBs using the UPI Mechanism should mention valid UPI ID of only the Applicant (in case of single account) and of the first Applicant (in case of joint account) in the Bid cum Application Form;
 39. RIBs using the UPI Mechanism, who have revised their Bids subsequent to making the initial Bid, should also approve the revised Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Bid Amount and subsequent debit of funds in case of Allotment in a timely manner;

In terms of SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account.

SEBI Circular No. CIR/DDHS/P/121/2018 dated August 16, 2018 stipulating the time between closure of the Issue and listing at six Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts:

1. Do not apply for lower than the minimum application size;
2. Do not pay the Application Amount in cash, demand draft, cheque, by money order or by postal order or by stockinvest;
3. Do not send Application Forms by post; instead submit the same to the Syndicate/Lead Brokers, sub-brokers, Trading Members of the Stock Exchange or Designated Branches of the SCSBs, as the case may be;
4. RIB applying through UPI should not submit a Bid using the UPI Mechanism, unless the name of the bank where the bank account linked to your UPI ID is maintained, is listed on the website of the SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
5. RIB applying through UPI should not submit a Bid using the UPI Mechanism, using a Mobile App or UPI handle, not listed on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40>;
6. Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;
7. Do not fill up the Application Form such that the Unsecured NCDs applied for exceeds the Issue size and/or investment limit or maximum number of Unsecured NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
8. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
9. Do not submit incorrect UPI ID details if you are a RIB Bidding through the UPI Mechanism;
10. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
11. Do not submit an Application Form using UPI ID, if the Application is for an amount more than ₹2,00,000;
12. Do not submit the Application Forms without the full Application Amount;
13. Do not submit more than one Bid cum Application Form for each UPI ID in case of RIBs using the UPI Mechanism;
14. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
15. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
16. Do not submit an Application in case you are not eligible to acquire Unsecured NCDs under applicable law or your relevant constitutional documents or otherwise;
17. Do not submit an Application that does not comply with the securities law of your respective jurisdiction;

18. Do not apply if you are a person ineligible to apply for Unsecured NCDs under the Tranche I Issue including Applications by Persons Resident Outside India, NRI (*inter-alia* including 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); and
19. Do not make an application of the Unsecured NCD on multiple copies taken of a single form.
20. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process;
21. Do not link the UPI ID with a bank account maintained with a bank that is not UPI certified by the NPCI in case of Bids submitted by RIB Bidders using the UPI Mechanism;
22. Do not submit the Application Form to the Lead Managers or Trading Members of the Stock Exchange, as the case may be, at a location other than the Specified Cities.
23. Do not send your physical Application Form by post. Instead submit the same to a Designated Branch or the Lead Managers or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities; and
24. Do not submit more than five Application Forms per ASBA Account.
25. Do not submit a Bid cum Application Form using a third party bank account or using third party linked bank account UPI ID (in case of in case of Bids submitted by RIBs using the UPI Mechanism)
26. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company or at a location other than the Bidding Centres. Provided that RIBs not using the UPI Mechanism should not submit Bid cum Application Forms with Designated Intermediaries (other than SCSBs).

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

Depository Arrangements

Our Company has made depository arrangements with NSDL and CDSL for issue and holding of the Unsecured NCDs in dematerialised form. In this context:

1. Tripartite Agreements dated December 17, 2012 and September 9, 2010 between us, the Registrar to the Issue and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
2. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
3. Unsecured NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
4. Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to the Issue.
5. It may be noted that Unsecured NCDs in electronic form can be traded only on Stock Exchange having electronic connectivity with NSDL or CDSL. The Stock Exchange have connectivity with NSDL and CDSL.
6. Interest or other benefits with respect to the Unsecured NCDs held in dematerialised form would be paid to those Unsecured NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those Unsecured NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
7. The trading of the Unsecured NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One Unsecured NCD only.

Allottees will have the option to rematerialise the Unsecured NCDs Allotted under the Tranche I Issue as per the provisions of the Companies Act, 2013 and the Depositories Act.

For further information relating to Applications for Allotment of the Unsecured NCDs in dematerialised form, see “**Issue Procedure**” on page 71.

Communications

All future communications in connection with Applications made in the Tranche I Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre-Issue related problems and/or Post-Issue related problems such as non-receipt of Allotment Advice non-credit of Unsecured NCDs in depository's beneficiary account/ etc. Please note that Applicants who have applied for the Unsecured NCDs through Designated Intermediaries should contact the Stock Exchange in case of any Post-Issue related problems, such as non-receipt of Allotment Advice / non-credit of Unsecured NCDs in depository's beneficiary account/ etc.

Grievances relating to Direct Online Applications may be addressed to the Registrar to the Issue, with a copy to the relevant Stock Exchange.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, the Board of Directors and/or any committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- Applications submitted without payment of the entire Application Amount. However, our Company may allot Unsecured NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Bids which do not contain details of the Bid Amount and the bank account or UPI ID (for RIBs using the UPI Mechanism) details in the ASBA Form;
- Bids submitted by RIBs using the UPI Mechanism through an SCSB and/or using a Mobile App or UPI handle, not listed on the website of SEBI/ Stock Exchanges, as may be updated from time to time;
- Bids under the UPI Mechanism submitted by RIBs using third party bank accounts or using a third party linked bank account UPI ID, subject to availability of information from the Sponsor Bank;
- If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;
- Application Amount paid being higher than the value of Unsecured NCDs Applied for. However, our Company may allot Unsecured NCDs up to the number of Unsecured NCDs Applied for, if the value of such Unsecured NCDs Applied for exceeds the minimum Application size;
- Applications where a registered address in India is not provided for the Applicant;
- In case of partnership firms, Unsecured NCDs may be applied for in the names of the individual partner(s) and no firm as such shall be entitled to apply for in its own name. However, a Limited Liability Partnership firm can apply in its own name;
- Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, except bids by Minors (applying through the guardian) having valid demat account as per demographic details provided by the Depository Participants;
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;

- PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned;
- ASBA Account number or UPI ID not mentioned or incorrectly mentioned in the Bid cum Application Form/Application Form;
- Submission of more than one Bid cum Application Form for each UPI ID in case of Retail Individual Investors using the UPI Mechanism;
- In case of Bids by Retail Individual Investors (applying through the UPI mechanism), the UPI ID mentioned in the Bid cum Application Form linked to a third party bank account;
- The UPI Mandate Request is not approved by the Retail Individual Investor;
- DP ID and Client ID not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications by OCBs;
- Applications for an amount below the minimum application size;
- Submission of more than five ASBA Forms per ASBA Account;
- Applications by persons who are not eligible to acquire Unsecured NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Applications accompanied by Stockinvest/ money order/ postal order/ cash;
- Signature of sole Applicant missing or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);
- Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority;
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form;
- ASBA Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant's bank records;
- Application Forms submitted to the Lead Managers, or Trading Members of the Stock Exchange does not bear the stamp of the relevant Lead Manager or Trading Member of the Stock Exchange, as the case may be. ASBA Applications submitted directly to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Lead Managers, or Trading Members of the Stock Exchange, as the case may be;
- ASBA Applications not having details of the ASBA Account to be blocked;
- In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database;
- Inadequate funds in the ASBA Account to enable the SCSB or Sponsor Bank to block the Application Amount specified in the ASBA Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB or Sponsor Bank for blocking of funds;

- SCSB making an ASBA application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
- Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;
- Authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account not provided;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications by any person outside India;
- Applications by other persons who are not eligible to apply for Unsecured NCDs under the Tranche I Issue under applicable Indian or foreign statutory/regulatory requirements;
- Applications not uploaded on the online platform of the Stock Exchange;
- Applications uploaded after the expiry of the allocated time on the Tranche I Issue Closing Date, unless extended by the Stock Exchange, as applicable;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Draft Shelf Prospectus and as per the instructions in the Application Form, the Draft Shelf Prospectus and this Tranche I Prospectus;
- Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchange, are not as per the records of the Depositories;
- ASBA Applications submitted to the Syndicate/Lead Brokers, or Trading Members of the Stock Exchange at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and ASBA Applications submitted directly to an Public Issue Account Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- Applications tendered to the Trading Members of the Stock Exchange at centers other than the centers mentioned in the Application Form;
- Investor Category not ticked;
- Application Form accompanied with cheque;
- In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application;
- Forms not uploaded on the electronic software of the Stock Exchange;
- Applications for the allotment of Unsecured NCDs in dematerialized form providing an inoperative demat account number.

Kindly note that ASBA Applications submitted to the Lead Managers, or Trading Members of the Stock Exchange at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Lead Managers, or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

For information on certain procedures to be carried out by the Registrar to the Offer for finalization of the basis of allotment, see “- **Information for Applicants**” on page 94.

Information for Applicants

In case of ASBA Applications submitted to the SCSBs, in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchange and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected.

In case of Applicants submitted to the Lead Managers, and Trading Members of the Stock Exchange at the Specified Cities, the basis of allotment will be based on the Registrar’s validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

In case of Applications for a higher number of Unsecured NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Mode of making refunds

The Registrar to the Issue shall instruct the relevant SCSB or in case of Bids by Retail Individual Investors applying through the UPI Mechanism to the Sponsor Bank, to revoke the mandate and to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within five Working Days of the Tranche I Issue Closing Date.

Grouping of Applications and allocation ratio

For the purposes of the basis of allotment:

- A. Applications received from Category I Applicants: Applications received from Applicants belonging to Category I shall be grouped together, (“**Institutional Portion**”);
- B. Applications received from Category II Applicants: Applications received from Applicants belonging to Category II, shall be grouped together, (“**Non-Institutional Portion**”).
- C. Applications received from Category III Applicants: Applications received from Applicants belonging to Category III shall be grouped together, (“**High Net-worth Individual Category Portion**”).
- D. Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV shall be grouped together, (“**Retail Individual Category Portion**”).

For removal of doubt, the terms “**Institutional Portion**”, “**Non-Institutional Portion**”, “**High Net-worth Individual Category Portion**” and “**Retail Individual Category Portion**” are individually referred to as “**Portion**” and collectively referred to as “**Portions**”.

Basis of Allotment

The Registrar will segregate the Applications based on the Applications received through an electronic book from the Stock Exchange and determine such valid Applications for the purpose of drawing ‘valid Applications’ for determining the basis of allocation.

Grouping of the Applications received will be then done in the following manner:

Allocation Ratio

Institutional Portion	Non-Institutional Portion	High Net Worth Individual Investors Portion	Retail Individual Investors Portion
10%	10%	40%	40%

(a) *Allotments in the first instance:*

- i. Applicants belonging to the Institutional Portion, in the first instance, will be allocated Unsecured NCDs up to 10% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 10% of Tranche I Issue Limit for the Institutional Portion shall be done considering the aggregate subscription received in the Institutional Portion;
- ii. Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated Unsecured NCDs up to 10% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 10% of Tranche I Issue Limit for the Non-Institutional Portion shall be done considering the aggregate subscription received in the Non-Institutional Portion;
- iii. Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated Unsecured NCDs up to 40% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 40% of Tranche I Issue Limit for the High Net Worth Individual Investors Portion shall be done considering the aggregate subscription received in the High Net Worth Individual Investors Portion; and
- iv. Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated Unsecured NCDs up to 40% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 40% of Tranche I Issue Limit for the Retail Individual Investors Portion shall be done considering the aggregate subscription received in the Retail Individual Investors Portion.

As per circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI to the extent that it provides for allotment in public issues of debt securities to be made on the basis of date of upload of each application into the electronic book of the Stock Exchange, as opposed to the date and time of upload of each such application. In the event of, and on the date of oversubscription, however, allotments in public issues of debt securities is to be made on a proportionate basis.

Allotment by the Company, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis to each Portion, based on the date of upload of each Application into the Electronic Book of the Stock Exchanges, subject to the Allocation Ratio indicated at the section titled “**Issue Procedure – Basis of Allotment**” at page 94 .

- (b) *Allotments in case of oversubscription:* In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the Unsecured NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of Unsecured NCDs to the applicants on the date of oversubscription (based on the date of upload of each Application on the electronic platform of the Stock Exchanges, in each Portion).

For the purpose of clarity, in case of oversubscription please see the below indicative scenarios:

- a. In case of an oversubscription in all Portions resulting in an oversubscription in the Tranche I Issue Limit, Allotments to the maximum permissible limit, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the Unsecured NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of Unsecured NCDs to the Applicants on the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).

- b. In case there is oversubscription in Tranche I Issue Limit, however there is under subscription in one or more Portion(s), Allotments will be made in the following order:
- (i) All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Tranche I Issue Period, shall receive full and firm allotment
 - (ii) In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchange during the Tranche I Issue period. For the sake of clarity, the day on which the entire remaining undersubscribed Portion is Allocated to the oversubscribed Portion(s), no allocation shall be made to any oversubscribed Portion(s) on the remaining days of the Tranche I Issue Period.
- (c) *Under Subscription*: If there is under subscription in the overall Tranche I Issue Limit due to undersubscription in each Portion, all valid Applications received till the end of last day of the Tranche I Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.
- (d) *Minimum Allotment of 10 Unsecured NCD and in multiples of 1 Unsecured NCD thereafter would be made in case of each valid Application to all Applicants.*
- (e) *Proportionate Allotments*: For each Portion(s), on the date of oversubscription:
- i. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.
 - ii. If the process of rounding off to the nearest integer results in the actual allocation of Unsecured NCDs being higher than the Tranche I Issue Limit, not all Applicants will be allotted the number of Unsecured NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.
 - iii. In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.
- (f) *Applicant applying for more than one Series/Options of Unsecured NCDs*: If an Applicant has applied for more than one Series of Unsecured NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of Unsecured NCDs applied for, the Series-wise allocation of Unsecured NCDs to such Applicants shall be in proportion to the number of Unsecured NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Manager and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the 3 (three) Series and in case such Applicant cannot be allotted all the 3 (three) Series, then the Applicant would be allotted Unsecured NCDs, at the discretion of the Company, the Registrar and the Lead Managers as may be decided at the time of Basis of Allotment.
- (g) *Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications*: The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Tranche I Issue Closing Date.

All decisions pertaining to the basis of allotment of Unsecured NCDs pursuant to the Tranche I Issue shall be taken by our Company in consultation with the Lead Managers and the Designated Stock Exchanges and in compliance with the aforementioned provisions of this Tranche I Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

Our Company would allot Series I Unsecured NCDs to all valid applications, wherein the applicants have not indicated their choice of Unsecured NCDs in the Tranche I Issue.

Applications where the Application Amount received is greater than the minimum Application Amount, and the Application Amount paid does not tally with the number of Unsecured NCDs applied for may be considered for Allotment, to the extent of the Application Amount paid rounded down to the nearest ₹ 1,000.

Retention of oversubscription

In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the Unsecured NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of Unsecured NCDs to the applicants on the date of oversubscription (based on the date of upload of each Application on the electronic platform of the Stock Exchanges, in each Portion).

Payment of Refunds

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within the applicable regulatory timelines.

Issuance of Allotment Advice

Our Company shall ensure dispatch of Allotment Advice as per the Demographic Details received from the Depositories. Instructions for credit of Unsecured NCDs to the beneficiary account with Depository Participants shall be made within five Working Days of the Tranche I Issue Closing Date

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities and approvals for the commencement of trading at the Stock Exchange where the Unsecured NCDs are proposed to be listed are taken within 5 Working Days from the Tranche I Issue Closing Date.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants can withdraw their ASBA Applications till the issue closure date by submitting a request for the same to the Syndicate/Lead Brokers, Trading Member of the Stock Exchange or the Designated Branch, as the case may be, through whom the ASBA Application had been placed. In case of ASBA Applications submitted to the Lead Managers, or Trading Members of the Stock Exchange at the Specified Cities, upon receipt of the request for withdrawal from the Applicant, the relevant Lead Manager, or Trading Member of the Stock Exchange, as the case may be, shall do the requisite, including deletion of details of the withdrawn ASBA Application Form from the electronic system of the Stock Exchange. In case of ASBA Applications submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn ASBA Application Form from the electronic system of the Stock Exchange and unblocking of the funds in the ASBA Account directly.

Withdrawal of Applications after the Issue Period: In case an Applicant wishes to withdraw the Application after the Tranche I Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of the Basis of Allotment.

Pre-closure: Our Company, in consultation with the Lead Managers reserves the right to close this Tranche I Issue at any time prior to the Tranche I Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue before the Tranche I Issue Closing Date. Our Company shall allot Unsecured NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, this Tranche I Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the Unsecured NCDs is lesser than the minimum subscription before the Tranche I Issue Closing Date.

In the event of such early closure of the Tranche I Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Tranche I Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of the Tranche I Issue have been given.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount has not been subscribed or received, as applicable, within the

specified period, the application money received is to be unblocked or credited only to the bank account from which the subscription was blocked or remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, circular no. SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 (“Debt UPI Circular”) and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI (“Debt ASBA Circular”).

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Tranche I Issue Period as long as the total order quantity does not fall below the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling below the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Tranche I Issue Period, as allowed/permitted by the Stock Exchange(S), by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Tranche I Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day after the Tranche I Issue Closing Date (till 1:00 PM) to modify/ verify certain selected fields uploaded in the online system during the Tranche I Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Utilisation of Application Amounts

The sum received in respect of the Tranche I Issue will be kept in separate bank accounts and we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

Utilisation of the proceeds of the Issue

- All monies received out of the Tranche I Issue shall be credited / transferred to a separate bank account maintained with a Scheduled Bank as referred to in Section 40 of the Companies Act, 2013.
- The allotment letter shall be issued or application money shall be refunded within 6 Working days from the closure of this the respective Tranche or such lesser time as may be specified by Securities and Exchange Board, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.
- Details of all monies unutilised out of the previous issues made by way of public offer, as well as the monies to be raised through the Issue, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.
- Details of all monies utilised out of the previous issue made by way of public offer shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.
- Details of all unutilised monies out of the Issue, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of the Tranche I Issue remains unutilized indicating the form in which such unutilised monies have been invested.
- Our Company shall utilize proceeds of the Tranche I Issue subsequent to (a) receipt of minimum subscription; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; and (d) obtaining Listing and Trading approval as stated in this Tranche I Prospectus in “**Issue Structure**” on page 50.
- Proceeds of the Tranche I Issue shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.

Proceeds of the Tranche I Issue shall not be utilized for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

Impersonation

Attention of the Applicants is specifically drawn to the provisions of sub-Section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.”*

Listing

The Unsecured NCDs proposed to be offered in pursuance of the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus will be listed on the Stock Exchanges. Our Company has received an ‘in-principle’ approval from BSE *vide* its letter no. DCS/BM/PI-BOND/006/21-22 dated June 24, 2021 and NSE *vide* its letter no. NSE/LIST/D/2021/0061 dated June 24, 2021. For the purposes of the Issue, NSE shall be the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our Unsecured NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Tranche I Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within six Working Days from the Tranche I Issue Closing Date.

For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the Series, such Unsecured NCDs with Series shall not be listed.

Guarantee/Letter of Comfort

This Tranche I Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Undertaking by our Company

Our Company undertake that:

- (a) the complaints received in respect of the Tranche I Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) shall be attended to by us expeditiously and satisfactorily;
- (b) we shall take necessary steps for the purpose of getting the Unsecured NCDs listed within the specified time i.e. six Working Days from the Tranche I Issue Closing Date.;
- (c) if Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within six Working Days from the Tranche I Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws;
- (d) the funds required for dispatch of allotment advice/ certificates by registered post/ speed post shall be made available to the Registrar to the Issue by our Company;
- (e) we shall utilize the Tranche I Issue proceeds only after (a) receipt of the minimum subscription of 75% of the Base Issue amount; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; and (c) receipt of listing and trading approval from BSE and NSE; ;
- (f) necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the Unsecured NCDs are outstanding;
- (g) we shall forward the details of utilisation of the funds raised through the Unsecured NCDs duly certified by our statutory auditors, to the Debenture Trustee at the end of each half year;
- (h) we shall disclose the complete name and address of the Debenture Trustee in our annual report;
- (i) we shall provide a compliance certificate to the Debenture Trustee in respect of compliance with the terms and conditions of issue of Unsecured NCDs as contained in this Tranche I Prospectus ; and

- (j) we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.
- (k) we shall create a recovery expense fund in the manner as maybe specified by the Board from time to time and inform the Debenture Trustee about the same;

STATEMENT OF TAX BENEFITS

To,

The Board of Directors

IIFL Home Finance Limited

IIFL House, Sun Infotech Park,
Road No. 16V,
Plot No. B-23, MIDC,
Thane Industrial Area, Wagle Estate
Thane 400 604, Maharashtra, India

Sub: Proposed Public Offering of Secured, Redeemable, Non-Convertible Debentures and/or Unsecured, Subordinated, Redeemable, Non-Convertible Debentures (“NCDs”) By IIFL Home Finance Limited (“Company”) with a shelf limit of up to ₹ 5,000 Crore (“Issue”). The Unsecured NCDs Will be in the nature of subordinated debt and shall be eligible for Tier II Capital

This certificate is issued in accordance with the terms of our engagement letter dated June 1, 2021.

The accompanying following note prepared by the Company, discusses the special tax provisions applicable to the Potential Debenture holders (“Investors”) subscribing in the NCDs of IIFL Home Finance Limited (the “**Company**”) in Annexure A (hereinafter referred to as “**Statement of Tax Benefits/Statement**”), under the Income-tax Act, 1961 (read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2020 (hereinafter referred to as the “**IT Act**”) in connection with the offering.

Management’s Responsibility

The preparation of this Statement as of the date of our certificate which is to be included in the Draft Shelf Prospectus / Shelf Prospectus / the respective Tranche Prospectus(es) (the “**Offering Document**”) is the responsibility of the management of the Company.

This responsibility includes designing, implementing and maintaining 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. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Our Responsibility

Our responsibility is to examine whether the Statement prepared by the company, in all material respects, is in accordance with applicable provision of the IT Act. For this purpose, we have read the statement of tax benefits as given in Annexure I, and evaluated with reference to the provisions of the IT Act to confirm that statements made are correct in all material respect.

We conducted our examination of the information given in this certificate (including the annexures thereto) in accordance with the ‘*Guidance Note on Reports or Certificates for Special Purposes*’ issued by the Institute of Chartered Accountants of India (“ICAI”), as revised from time to time; the aforesaid Guidance Note requires that we comply with the ethical requirements of the ‘*Code of Ethics*’ issued by the ICAI, as revised from time to time. Further, 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*’, as revised from time to time.

Inherent Limitations

We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information. The benefits discussed in the enclosed Annexure I are not exhaustive. Several of these benefits are dependent on the Investors fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of Investors to derive the tax benefits is dependent on fulfilling such conditions.

The statement is only intended to provide general information and is neither designed nor intended to be a substitute for the professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is

advised to consult their own tax consultant with respect to specific tax implications arising out of their participation. Neither are we suggesting nor advising the investor to invest money based on this statement.

We do not express any opinion or provide any assurance as to whether:

- i) Debenture holders of the company will continue to obtain these benefits in future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with; or
- iii) the revenue authorities/ Courts will concur with the views expressed herein.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. We have relied upon the information and documents of the Company being true, correct and complete and have not audited or tested them. Our view, under no circumstances, is to be considered as an audit opinion under any regulation or law. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein.

Our views are based on existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

In our opinion, the Statement of Tax Benefits prepared by the company as set out in Annexure I materially covers all tax benefits available as at the date of our report to Debenture Holders, in accordance with provisions of the IT Act as amended.

Restriction on Use

We hereby consent to inclusion of the extracts of this certificate in the draft shelf prospectus, shelf prospectus and respective Tranche Prospectus(es) and/or any other document in relation to the Issue, and is not to be used, referred to or distributed for any other purpose 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. Any subsequent amendment / modification to provisions of the applicable laws may have an impact on the views contained in our statement. While reasonable care has been taken in the preparation of this certificate, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

For M. P. Chitale & Co.
Chartered Accountants
Firm Regn. No.: 101851W

Harnish Shah
Partner
Membership No. 145160
UDIN: 21145160AAAAAP6493
Place: Mumbai
Date: June 17, 2021

IIFL Home Finance Limited**STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDER(S)**

The note is based on the provisions of the IT Act, as on date, taking into account the amendments made by the Finance Act, 2020 (FA 2020)1.

This note intends to provide general information on the applicable provisions of the IT Act. However, in view of the nature of the implications, the investors are best advised to consult their respective tax advisors/consultants for appropriate counsel with respect to the specific tax and other implications arising out of their participation in the Portfolio as indicated herein.

STATEMENT OF POSSIBLE DIRECT TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS**A. Under the Income-Tax Act, 1961 ("I.T. Act")****I. Tax benefits available to the Resident Debenture Holders**

1. Interest on debentures received by resident debenture holders would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act.
2. As per section 2(29A) read with section 2(42A) of the I.T. Act, a listed debenture is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer.

Long-term Capital Gains (other than long-term capital gains chargeable under section 112A of the IT Act) will be chargeable to tax under Section 112 of the IT Act, at a rate of 20 per cent (plus applicable surcharge and health and education cess respectively – Refer Note 2) with indexation.

Alternatively, the tax rate may be reduced to 10 per cent without indexation (plus applicable surcharge and health and education cess– Refer Note 2) in respect of listed securities (other than a unit) or zero- coupon bonds (as defined).

However, as per the fourth proviso to section 48 of the IT Act, benefit of indexation of cost of acquisition under second proviso to section 48 of the IT Act, is not available in case of bonds, debentures, except capital indexed bonds. Accordingly, long term capital gains on listed bonds arising to the bond holders, should be subject to tax at the rate of 10 per cent, computed without indexation, as the benefit of indexation of cost of acquisition is not available in the case of debentures.

In case of an individual or HUF, being a resident, where the total income as reduced by such long-term capital gains is below the maximum amount which is not chargeable to income-tax, then, such long term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and the tax on the balance of such long-term capital gains shall be computed at the rate mentioned above.

3. As per section 2(42A) of the I.T. Act, a listed debenture is treated as a short term capital asset if the same is held for not more than 12 months immediately preceding the date of its transfer.

Short-term capital gains are chargeable to tax as per the applicable general tax rates (discussed in Note 1 and Note 2 above).

In case of FIIs/ FPIs, as per section 115AD of the IT Act, short term capital gains on transfer or sale of NCDs are taxable at the rate of 30 per cent (plus applicable surcharge and health and education cess)

4. As per Section 74 of the I.T. Act, short-term capital loss on transfer of debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.
5. In case debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.

6. Income tax is deductible at source on interest on debentures, payable to resident debenture holders at the time of credit / payment as per the provisions of section 193 of the I.T. Act. However, no income tax is deductible at source in respect of any security issued by a Company in a dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act 1956 and the rules made thereunder.
7. Interest on application money and interest on refund application money would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 194A of the I.T. Act.
8. In case of every Individual, being a resident in India, who is of the age sixty years or more but less than eighty years at any time during the previous year rate of income tax is nil (where total income does not exceed Rs.3,00,000), 5% of amount by which total income exceeds Rs. 3,00,000 (where total income is more than Rs. 3,00,000 but does not exceed Rs. 5,00,000), 20% of the amount by which the total income exceeds Rs.5,00,000 (where total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000) and 30% of the amount by which the total income exceeds Rs. 10,00,000. Plus Surcharge, if any, and Health and Education Cess @4% on the aggregate of Income Tax and Surcharge.
9. In case of every Individual, being a resident in India, who is of the age eighty years or more at any time during the previous year rate of income tax is nil (where total income does not exceed Rs.5,00,000), 20% of the amount by which the total income exceeds Rs.5,00,000 (where total income exceeds Rs. 5,00,000 but does not exceed Rs. 10,00,000) and 30% of the amount by which the total income exceeds Rs. 10,00,000. Plus Surcharge, if any, and Health and Education Cess @ 4% on the aggregate of Income Tax and Surcharge.
10. Alternatively, where an individual or a HUF exercises the option to be assessed to tax under the provisions of section 115BAC of the IT Act inserted by FA 2020, the following shall be the rate of tax applicable:

Slab	Tax Rate
Total income up to Rs 250,000	Nil
More than Rs 250,000 but up to Rs 500,000@	5 per cent of excess over Rs 250,000
More than Rs 500,000 but up to Rs 750,000	10 per cent of excess over Rs 500,000 + Rs 12,500
More than Rs 750,000 but up to Rs 1,000,000	15 per cent of excess over Rs 750,000 + Rs 37,500
More than Rs 1,000,000 but up to Rs 1,250,000	20 per cent of excess over Rs 1,000,000 + Rs 75,000
More than Rs 1,250,000 but up to Rs 1,500,000	25 per cent of excess over Rs 1,250,000 + Rs 1,25,000
More than Rs 1,500,000	30 per cent of excess over Rs 1,500,000 + Rs 1,87,500

11. In the case of Resident Indian, surcharge at the rate of 10% of such tax liability (if net income exceeds Rs. 50,00,000 and does not exceed Rs. 1,00,00,000), 15% of such tax liability (if net income exceeds Rs. 1,00,00,000 and does not exceed Rs. 2,00,00,000), 25% of such tax liability (if net income exceeds Rs. 2,00,00,000 and does not exceed Rs. 5,00,00,000) and 37% of such tax liability (if net income exceeds Rs. 5,00,00,000). However, the enhanced surcharge does not apply to capital gain on sale of listed equity shares or units of equity oriented fund or business trust liable to securities transaction tax. In such cases where the net income exceeds Rs.2,00,00,000 the surcharge shall be payable at the rate of 15% on such capital gains from sale of listed equity shares or units of equity oriented fund or business trust liable to securities transaction tax.
12. In the case of every domestic Indian company where total turnover or gross receipts does not exceed Rs.400 crore in FY 2018-19, tax shall be payable at the rate of 25%. In case of other domestic Indian companies, tax shall be payable at the rate of 30%. Surcharge shall be payable at the rate of 12% if the total income exceeds Rs.10 crore; 7% if the total income exceeds Rs.1 crore but does not exceed Rs.10 crore and no surcharge if the total income does not exceed Rs.1 crore. In addition to this, cess at the rate of 4% shall be payable on the income-tax plus surcharge.
13. According to the Taxation Laws (Amendment) Act, 2019, domestic Indian companies have an option to pay tax at concessional rates as specified in sections 115BAA and 115BAB.

Any domestic company has an option to pay income-tax at the rate of 22% subject to condition that they will not avail any prescribed exemption/incentive/losses. Surcharge shall be payable at the rate of 10% and Cess shall be payable at the rate of 4% on the income-tax plus surcharge. The effective tax rate for these companies shall be 25.17% inclusive of surcharge & cess. Also, such companies shall not be required to pay Minimum Alternate Tax.

Any new domestic company incorporated on or after 1st October 2019 making fresh investment in manufacturing, has an option to pay income-tax at the rate of 15%. This benefit is available to companies which do not avail any prescribed exemption/incentive/losses and commences their production on or before 31st March, 2023. Surcharge shall be payable at the rate of 10% and Cess shall be payable at the rate of 4% on the income- tax plus surcharge. The effective tax rate for these companies shall be 17.16% inclusive of surcharge and cess. Also, such companies shall not be required to pay Minimum Alternate Tax.

A company which does not opt for the concessional tax regime and avails the tax exemption/incentive shall continue to pay tax at the pre-amended rate. However, these companies can opt for the concessional tax regime after expiry of their tax holiday/exemption period. After the exercise of the option they shall be liable to pay tax at the rate of 22% (subject to fulfillment of prescribed conditions) and option once exercised cannot be subsequently withdrawn. Further, in order to provide relief to companies which continue to avail exemptions/incentives, the rate of Minimum Alternate Tax has been reduced from existing 18.5% to 15%.

II. Tax benefits available to the Non - Resident Debenture Holders

1. A non-resident Indian has an option to be governed by Chapter XII-A of the I. T. Act, subject to the provisions contained therein which are given in brief as under:
 - a. As per section 115C(e) of the I. T. Act, the term "non-resident Indian" means an individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.
 - b. In case of non-residents, under the IT Act, the interest income will be chargeable to tax at the rate of 30/ 40 per cent depending on the status of the non-resident (plus applicable surcharge and health and education cess). However, the above is subject to any relief available under DTAA and any Covered Tax Agreement (CTA) entered into by the Government of India
 - c. As per section 115E of the I.T. Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas, long term capital gains on transfer of such debentures will be taxable at 10% of such capital gains without indexation of cost of acquisition.

Long-term capital gains (other than long-term capital gains chargeable under section 112A of the IT Act) in case of listed securities will be chargeable under Section 112 of the IT Act at a rate of 20 per cent (plus applicable surcharge and health and education cess) with applicable foreign exchange fluctuation benefit or indexation, as the case may be. The tax payable (for other than a listed unit) could alternatively be determined at 10 per cent (plus applicable surcharge and health and education cess) without indexation.

The above-mentioned rates would be subject to applicable treaty relief.

Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.

- a. As per section 115F of the I.T. Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in section 10(4B) of the I. T. Act in accordance with and subject to the provisions contained therein. However, if the new assets are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains claimed earlier would become chargeable to tax as long term capital gains in the year in which the new assets are transferred or converted into money.
- b. As per section 115G of the I.T. Act, it shall not be necessary for a non-resident Indian to file a return of income under section 139(1) of the I.T. Act, if his total income consists only of investment income as defined under section 115C and / or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the I.T. Act in accordance with and subject to the provisions contained therein.

- c. As per section 115H of the I.T. Act, where a non-resident Indian becomes assessable as resident in India in any subsequent year, he may furnish to the Assessing Officer a declaration in writing along with return of income under section 139 for the assessment year for which he is assessable as a resident, to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income (other than on shares in an Indian Company) derived from any foreign exchange assets in accordance with and subject to the provisions contained therein. On doing so, the provisions of Chapter XII-A shall continue to apply to him in relation to such income for that assessment year and for every subsequent assessment year until the transfer or conversion (otherwise than by transfer) into money of such assets.
 - d. In accordance with and subject to the provisions of section 115-I of the I.T. Act, a non-resident Indian may opt not to be governed by the provisions of Chapter XII-A of the I.T. Act. In that case,
 - i) Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.
 - ii) Investment income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act
 - iii) where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.
2. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is 20% on investment income and 10% on any long-term capital gains as per section 115E of the I.T. Act, and at the normal rates for Short Term Capital Gains if the payee debenture holder is a Non - resident Indian.
 3. Interest on application money and interest on refund application money would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 195 of the I.T. Act.
 4. The income tax deducted shall be increased by surcharge as under:
 - a. In the case of non-resident Indian, surcharge at the rate of 10% of such tax liability (if net income exceeds Rs. 50,00,000 and does not exceed Rs. 1,00,00,000), 15% of such tax liability (if net income exceeds Rs. 1,00,00,000 and does not exceed Rs. 2,00,00,000), 25% of such tax liability (if net income exceeds Rs. 2,00,00,000 and does not exceed Rs. 5,00,00,000) and 37% of such tax liability (if net income exceeds Rs. 5,00,00,000). However, the enhanced surcharge does not apply to capital gain on sale of listed equity shares or units of equity oriented fund or business trust liable to securities transaction tax. In such cases where the net income exceeds Rs.2,00,00,000 the surcharge shall be payable at the rate of 15% on such capital gains from sale of listed equity shares or units of equity oriented fund or business trust liable to securities transaction tax.
 - b. In the case of Foreign companies, surcharge is applicable at the rate of 2% of such tax liability where the income or the aggregate of such income paid or likely to be paid and subject to deduction exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000. Surcharge at the rate of 5% of such income tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds Rs. 10,00,00,000.
 - c. Cess is to be applied at 4% on aggregate of base tax and surcharge.
 5. As per section 90(2) of the I.T. Act read with the Circular no. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) read with Multi-Lateral Instrument (MLI) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate ("TRC"), is a mandatory condition for availing benefits under any DTAA. If the TRC does not contain the prescribed particulars, a self-declaration in Form 10F would need to be provided by the assessee along with TRC.
 6. Alternatively, to ensure non-deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under section 197(1) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.

III. Tax benefit available to the Foreign Institutional Investors / foreign portfolio investors (FII's/ FPIs)

1. As per Section 2(14) of the I.T. Act, any securities held by FIIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act., 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.
2. In accordance with and subject to the provisions of section 115AD of the I.T. Act, long term capital gains on transfer of debentures by FIIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of section 48 of the I.T. Act will not apply.
3. Interest on NCD may be eligible for concessional tax rate of 5 per cent (plus applicable surcharge and health and education cess) under section 194LD or 194LC of the IT Act. Further, in case where section 194LD or 194LC is not applicable, the interest income earned by FPI should be chargeable tax at the rate of 20 per cent under section 115AD of the IT Act. Vide Finance Act, 2021 , a new provision has been introduced under section 196LD , wherein if DTAA is applicable to the payee, the rate of tax deduction shall be lower of rate as per DTAA or 20%, subject to the conditions prescribed therein.
4. Section 194LD in the I. T. Act provides for lower rate of withholding tax at the rate of 5% (plus applicable surcharge and cess) on payment by way of interest paid by an Indian company to FIIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian company till July 1, 2020 provided such rate does not exceed the rate as may be notified by the Government.
5. The income tax deducted shall be increased by applicable surcharge and health and education cess.
6. In accordance with and subject to the provisions of section 196D(2) of the I.T. Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs.
7. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the I.T. Act.

IV. Tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorized by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

V. Exemption under Section 54F of the I.T. Act

1. As per provisions of section 54F of the I.T. Act, any long-term capital gains on transfer of a long term capital asset (not being residential house) arising to a debenture holders who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the condition that the debenture holder does not own more than one residential house at the time of such transfer. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax claimed earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred. Similarly, if the debenture holder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.
2. As per provisions of section 54F of the I.T. Act, any long term capital gain on the transfer of a long-term capital asset, arising to a debenture holders is exempt from tax , if the assessee invested the whole or any part of capital gains in the long-term specified asset at any time within a period of six months. If the cost of the long-term specified asset is less than the capital gain arising from the transfer of the original asset, then such gains would be chargeable to tax on a proportionate basis. This exemption is available, subject to the condition that the investment in the long-

term specified asset by an assessee during any financial year does not exceed fifty lakh rupees: If the long term specified asset in which the investment has been made is transferred within a period of three years from the date of its acquisition, the amount of capital gains tax claimed earlier would become chargeable to tax as long term capital gains in the year in which such long term specified asset is transferred. Specified Asset means a unit or units, issued before the 1st day of April, 2019, of such fund as may be notified by the Central Government in this behalf.

VI. General Anti-Avoidance Rule (*GAAR)

In terms of Chapter XA of the I.T. Act, General Anti-Avoidance Rule may be invoked notwithstanding anything contained in the I.T. Act. By this Rule, any arrangement entered into by an assessee may be declared to be impermissible avoidance arrangement as defined in that Chapter and the consequence would be inter alia denial of tax benefit. The GAAR provisions can be said to be not applicable in certain circumstances viz. the main purpose of arrangement is not to obtain a tax benefit etc. including circumstances enumerated in CBDT Notification No. 75/2013 dated September 23, 2013.

VII. Requirement to furnish PAN under the I.T. Act

1. Section 139A(5A) of the I.T. Act requires every person receiving any sum or income or amount from which tax has been deducted under Chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deducting such tax.
2. Section 206AA of the I.T. Act requires every person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVIIIB ("deductee") to furnish his PAN to the deductor, failing which tax shall be deducted at the higher of the following rates:
 - i. at the rate specified in the relevant provision of the I. T. Act; or
 - ii. at the rate or rates in force; or
 - iii. at the rate of twenty per cent.
3. As per Rule 37BC, the higher rate under section 206AA shall not apply to a non-resident, not being a company, or to a foreign company, in respect, of payment of interest, if the non-resident deductee furnishes the prescribed details *inter alia* TRC and Tax Identification Number (TIN). A declaration under Section 197A(1) or 197A(1A) or 197A(1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per para (2) above in such a case.
4. Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and para (2) above will apply apart from penal consequences.
5. Section 206BA requires every person to withhold tax rate at higher of twice the applicable rate or 5% in respect of all TDS/TCS provisions for non-filers of return of income with effect from 1 July 2021.

VIII. Taxability of Gifts received for nil or inadequate consideration

As per section 56(2)(x) of the I.T. Act, where any person receives debentures from any person on or after 1st April, 2017:

- a. without consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;
- b. for a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures as exceeds such consideration shall be taxable as the income of the recipient at the normal rates of tax. The above is subject to few exceptions as stated in section 56(2)(x) of the I. T. Act.

NOTES:

- Surcharge is levied on individuals, HUF, association of persons, body of individuals and artificial juridical person as per para I (10) and para II(4) above.

- Surcharge is levied on firm, co-operative society and local authority at the rate of 12% on tax where the total income exceeds Rs. 1 crore.
- Surcharge is levied on domestic companies as per para I(10) or I(11) above.
- Surcharge is levied on every company other than domestic company as per para II(4) above.
- Health and Education Cess is to be applied at the rate of 4% on aggregate of base tax and surcharge.
- The above statement covers only certain relevant benefits under the Income Tax Act, 1961 and does not cover benefits under any other law
- This statement is intended only to provide general information to the Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each Debenture Holder is advised to consult his/her/its own tax advisor with respect to specific tax consequences of his/her/its holding in the debentures of the Company.
- No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

For IIFL Home Finance Limited

Amit Gupta
Chief Financial Officer
Place: Gurugram
Date: June 17, 2021

SECTION IV- OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Registered Office of our Company situated at IIFL House, Sun Infotech Park, Road No. 16V, Plot No. B-23, MIDC, Thane Industrial Area, Wagle Estate, Thane – 400 604, Maharashtra, India between 10 am to 5 pm on any Working Day (Monday to Friday) during which issue is open for public subscription under this Tranche I Prospectus.

MATERIAL CONTRACTS

1. Issue Agreement dated June 16, 2021, between our Company and the Lead Managers.
2. Registrar Agreement dated June 16, 2021, between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated June 16, 2021, executed between our Company and the Debenture Trustee.
4. Tripartite agreement dated December 17, 2012, among our Company, the Registrar and CDSL.
5. Tripartite agreement dated September 9, 2010, among our Company, the Registrar and NSDL.
6. Public Issue Account and Sponsor Bank Agreement dated June 25, 2021 between our Company, the Lead Managers, Registrar to the Issue and ICICI Bank Limited.
7. Lead Broker Agreement dated June 25, 2021 among our Company, Lead Managers and Lead Brokers.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.
2. Certificate of Incorporation of our Company dated December 26, 2006, as a company limited by shares, issued by Registrar of Companies, Mumbai.
3. Fresh Certificate of Incorporation of our Company dated May 2, 2018, issued by Registrar of Companies, Mumbai, consequent upon change of name of the Company to IIFL Home Finance Limited.
4. Certificate of Registration dated September 14, 2018, bearing registration no. 09.0175.18 issued by the National Housing Bank; pursuant to the change of name of the Company to IIFL Home Finance Limited.
5. Copy of shareholders' resolution approved at the EGM dated November 12, 2018 under Section 180(1)(c) of the Companies Act, 2013 on overall borrowing limits of the Board of Directors of our Company.
6. Copy of the resolution approved by the Board of Directors dated June 6, 2020, approving the issue of NCDs.
7. Letter dated June 11, 2021, by CRISIL Ratings Limited assigning a rating of "CRISIL AA/Stable" (pronounced as CRISIL double A rating with stable outlook) for the Issue with rating rationale.
8. Letter dated June 11, 2021, by Brickwork Ratings Private Limited assigning a rating of 'BWR AA+/ Negative (Assigned)' (pronounced as BWR Double A plus with Negative outlook) for the Issue with rating rationale.
9. Consents of the Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary and Compliance Officer, Lead Managers, Legal Advisor to the Issue, Credit Rating Agencies, Bankers to the Company, Public Issue Account Bank, Refund Bank, Sponsor Bank Registrar to the Issue and the Debenture Trustee for the NCDs, to include their names in the Shelf Prospectus and the Tranche I Prospectus, in their respective capacities and the NOCs received from Lenders to our Company.
10. Consent of CRISIL Limited dated June 14, 2021, as the agency issuing the industry report titled 'NBFC Report 2021' forming part of the Industry Overview chapter.

11. Copy of the resolution approved by the Finance Committee at its meeting held on June 17, 2021, approving the Draft Shelf Prospectus.
12. Copy of the resolution approved by the Finance Committee at its meeting held on June 29, 2021, approving the Shelf Prospectus and this Tranche I Prospectus.
13. Consent of the Statutory Auditors of the Company, for inclusion of their name as an expert in respect of their (i) examination report dated June 15, 2021, on our Reformatted Financial Statements under Ind AS, (ii) Examination Report dated June 15, 2021 on our Reformatted Financial Statements under IGAAP, (iv) their report dated June 17, 2021 on the statement of tax benefits.
14. The examination report dated June 15, 2021, in relation to the Reformatted Financial Statements under Ind AS.
15. The examination report dated June 15, 2021, in relation to the Reformatted Financial Statements under IGAAP.
16. Statement of tax benefits dated June 17, 2021, issued by the Statutory Auditors.
17. Annual Report of our Company for the last five Fiscals.
18. In-principle listing approval from BSE by its letter no. DCS/BM/PI-BOND/006/21-22 dated June 24, 2021.
19. In-principle listing approval from NSE by its letter no. NSE/LIST/D/2021/0061 dated June 24, 2021.
20. Due Diligence Certificate dated June 29, 2021 filed by the Lead Managers with SEBI.
21. Due Diligence Certificate dated June 17, 2021, from the Debenture Trustee to the Issue.
22. Business transfer agreement between the Company and IIFL Finance Limited dated June 29, 2019.
23. Trade License Agreement between the Company and IIFL Securities Limited dated April 12, 2021.

Any of the contracts or documents mentioned above may be amended or modified at any time, without reference to the Debenture Holders, in the interest of our Company in compliance with applicable laws.

DECLARATION

We, the Directors of the Company, hereby certify and declare that all the legal requirements including relevant provisions of the Companies Act and rules prescribed thereunder to the extent applicable as on this date, the guidelines issued by the Government of India and the regulations and guidelines and circulars issued by the Reserve Bank of India, National Housing Bank and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable, as the case may be, in connection with the Issue have been complied with and no statement made in Tranche I Prospectus is contrary to the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable to this Tranche I Prospectus.

We further certify that all the disclosures and statements in this Tranche I Prospectus are in compliance with all the applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading and that this Tranche I Prospectus does not contain any misstatements.

Signed by the Board of Directors of our Company

Name: Nirmal Jain
DIN: 00010535
Designation: Non-Executive Director

Name: R. Venkataraman
DIN: 00011919
Designation: Non-Executive Director

Name: Kranti Sinha
DIN: 00001643
Designation: Independent Director

Name: S Sridhar
DIN: 00004272
Designation: Chairman & Independent Director

Name: A. K. Purwar
DIN: 00026383
Designation: Independent Director

Name: Monu Ratra
DIN: 07406284
Designation: Executive Director & CEO

Date: June 29, 2021

Place: Mumbai

Ratings

CONFIDENTIAL



RL/IDIFHF/272813/NCD/0621/11224/94573509

June 11, 2021

Mr. Monu Ratra

Executive Director & Ceo

IIFL Home Finance Limited

8th Floor Hubtown Solaris

N.S.Phadke Marg, Near East West Flyover

Andheri (E),

Mumbai City - 400069

Dear Mr. Monu Ratra,

Re: CRISIL Rating on the Rs. 5000 Crore Non Convertible Debentures* of IIFL Home Finance Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL Ratings has, after due consideration, assigned a CRISIL AA/Stable (pronounced as CRISIL double A rating with Stable outlook) rating to the captioned Debt instrument. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

Further, in view of your decision to accept the CRISIL Ratings, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Malvika Bhotika
Associate Director - CRISIL Ratings

Nivedita Shibu
Associate Director - CRISIL Ratings



* *Interchangeable between secured and subordinated debt, and it is for Retail Bond Issuance*

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisil.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301.

CRISIL Ratings Limited

(A subsidiary of CRISIL Limited)

Corporate Identity Number: U67100MH2019PLC326247

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www.crisil.com/ratings

**Details of the Rs.5000 Crore Non Convertible Debentures of
IIFL Home Finance Limited**

	<i>1st tranche</i>		<i>2nd tranche</i>		<i>3rd tranche</i>	
<i>Instrument Series:</i>						
<i>Amount Placed:</i>						
<i>Maturity Period:</i>						
<i>Put or Call Options (if any):</i>						
<i>Coupon Rate:</i>						
<i>Interest Payment Dates:</i>						
<i>Principal Repayment Details:</i>	Date	Amount	Date	Amount	Date	Amount
<i>Investors:</i>						
<i>Trustees:</i>						

In case there is an offer document for the captioned Debt issue, please send us a copy of it.

Disclaimer: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisil.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301.

CRISIL Ratings Limited
(A subsidiary of CRISIL Limited)
Corporate Identity Number: U67100MH2019PLC326247

Rating Rationale

June 11, 2021 | Mumbai

IIFL Home Finance Limited

'CRISIL AA / Stable' assigned to Non Convertible Debentures

Rating Action

Total Bank Loan Facilities Rated	Rs.6000 Crore
Long Term Rating	CRISIL AA/Stable (Reaffirmed)

Rs.5000 Crore Non Convertible Debentures ^{&}	CRISIL AA/Stable (Assigned)
Rs.300 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PPMLD AA r /Stable (Reaffirmed)
Rs.200 Crore Principal Protected Market Linked Non-Convertible Subordinated Debentures	CRISIL PPMLD AA r /Stable (Reaffirmed)
Rs.5000 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)
Non Convertible Debentures Aggregating Rs.2152 Crore	CRISIL AA/Stable (Reaffirmed)

[&] Interchangeable between secured and subordinated debt, and it is for Retail Bond Issuance

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL Ratings has assigned its '**CRISIL AA/Stable**' rating to Rs 5000 crore non-convertible debentures (NCDs) of IIFL Home Finance Limited (IIFL Home; part of IIFL Finance group) and reaffirmed its ratings on other debt instruments and bank facilities of the company at 'CRISIL AA/CRISIL PP-MLD AAr/Stable/CRISIL A1+'.

In March 2021, CRISIL Ratings had revised the outlook on the ratings to 'Stable' from Negative driven by the improvement in collection efficiency [1](excluding foreclosures) resulting in the uptick in asset quality metrics being lower than previous expectations despite weak macro-economic environment. The outlook revision also factored in the improvement in fund raising of the company.

The overall ratings, continues to reflect the IIFL Finance group's diversified retail product offerings with majority of the portfolio towards inherently less risky asset classes, the extensive branch network and adequate capitalisation. These rating strengths are partially offset by limited seasoning of the loan portfolio.

As on March 31, 2021, 61% of the assets under management (AUM) is towards safer asset classes of gold loans and home loans; however, 14% of AUM is towards relatively riskier asset classes of unsecured business loans and real estate & developer finance. As on March 31, 2021, 5% of the AUM is towards unsecured business loans, wherein the company has seen inch up in delinquencies in fiscal 2021, with gross NPAs increasing to 10.9% as on March 31, 2021 from 5.2% as on March 31, 2020. While management has become cautious in lending towards this sector in the past few quarters, performance of this book over the next few quarters will be a monitorable. Further, around 10% of the AUM is towards real estate & developer finance, wherein borrowers are susceptible to an environment of prolonged liquidity tightness. IIFL Finance has provided temporary respite by extension of date of commencement of commercial operations (DCCO) for commercial real estate projects, which formed around 58% of the real estate & developer book as on March 31, 2021. Nevertheless, the management is planning to move the real estate book aggregating Rs 3,600 crore to an alternative investment fund (AIF) platform with investment by global marquee investors. While the detailed contours of the deal are yet to be closed, sale of the real estate book at a haircut could have an impact on the earnings profile of the company and will be a monitorable.

With gradual opening up of the economy, collection efficiency for the company has improved considerably to pre-pandemic levels from the lows of 30-35% in April 2020. On a segmental basis, for the month of March 2021, collection efficiency has improved to 98-100% for home loans, 85-90% for business loans, 90-95% for micro-finance segment and more than 100% in gold loans, indicating recoveries even from overdue accounts.

Gross non-performing assets (NPAs), on a reported basis, have improved to 2.14% as on March 31, 2020 from 2.31% as on March 31, 2020. Further, excluding the discontinued healthcare segment, gross NPAs stood at 1.98% as on March 31, 2021 (2.04% as on March 31, 2020). Even in terms of restructuring, IIFL Finance had implemented restructuring under Reserve Bank of India's (RBI) August 2020 Resolution Framework for COVID-19-related Stress and micro small and medium enterprises (MSME) restructuring scheme for accounts aggregating Rs 505 crore; 1.1% of AUM as on March 31, 2021 and was lower than earlier expectations. Additionally, RBI has extended the period for invocation for restructuring of the retail and MSME accounts till September 30, 2021 under its Resolution Framework - 2.0, implementation of the same will remain a monitorable. Going forward, with the onset of second wave of Covid-19 pandemic, ability of the company to manage collections and asset quality will remain a key monitorable.

On the resources front too, the company has been able to raise funds across instruments, supported partly by the various schemes announced by the Reserve Bank of India (RBI) and the Government of India (GoI). Further, there has been a significant pick-up in recent months with the company raising around Rs 23,792 crore in the fiscal 2021. Around 47% of this was in the form of securitisation/assignment of loans.

Adequate fund raising has also enabled IIFL Finance to grow its AUM in the last few quarters. Consequently, AUM grew by 18% year on year (YoY) to Rs 44,688 crore as on March 31, 2021 from Rs 37,951 crore a year ago; growth was higher than industry average during the period. With pickup in disbursements, especially towards higher yielding products like gold loans, there has been a substantial improvement in the earnings profile despite increased credit costs (2.4% for fiscal 2021; 1.1% for fiscal 2020) on account of write-offs and Covid-19 related provisions. IIFL Finance has reported return on managed assets (RoMA) of 1.6% for fiscal 2021, as against 1.2% for fiscal 2020. Nevertheless, ability to improve profitability from current levels will remain a monitorable.

^[1] Collection efficiencies have been calculated as the proportion of actual collections (from billings for the month and overdues but excluding prepayments) during the month to scheduled collections/ billings for the month (this takes into account the dues from the book assuming there was no moratorium).

Analytical Approach

CRISIL Ratings has consolidated the business and financial risk profiles of IIFL Finance and its subsidiaries, including IIFL Home Finance Ltd (IIFL Home) and Samasta Microfinance Ltd (Samasta). This is because all these entities, collectively referred to as the IIFL Finance group, have significant operational, financial, and managerial integration and also operate under a common brand. Further, CRISIL Ratings has also factored in the business synergies that IIFL Finance group will have with IIFL Wealth Management Ltd and IIFL Securities Ltd, given their common promoters and the shared brand.

Please refer Annexure - List of entities consolidated, which captures the list of entities considered and their analytical treatment of consolidation.

Key Rating Drivers & Detailed Description

Strengths:

- **Diversified retail lending portfolio with an extensive branch network**

The IIFL Finance group, having consolidated assets under management (AUM) of Rs 44,688 crore as on March 31, 2021 (Rs 37,951 crore as on March 31, 2020; Rs 34,904 crore as on March 31, 2019), is primarily engaged in secured lending across various retail asset classes. IIFL Finance has two lending subsidiaries, IIFL Home and Samasta, which carry out the mortgage finance and microfinance businesses, respectively.

Retail loans accounted for almost 90% of the AUM as on March 31, 2021, with a high level of granularity (loans of less than Rs 1 crore). Also, more than 40% of the portfolio qualifies under priority sector lending. The group had identified four key segments - home loans, business loans (including loan against property {LAP} and lending to micro small and medium enterprises—MSME), gold loans and microfinance, as key growth drivers over the medium term. These four segments form around 89% of the AUM as on March 31, 2021, up from 61% as on March 31, 2016. The group has also been operating in two synergistic segments - construction & developer funding and capital market lending. A substantial part of developer funding book is proposed to be transferred to an alternative investment fund. Capital market lending will largely focus on the retail clients of IIFL Securities. In-line with the strategy to focus on select segments, the group discontinued medical equipment financing from fiscal 2018, and also sold its commercial vehicle (CV) finance portfolio in fiscal 2019.

As of March 31, 2021, the IIFL Finance group had a wide network of 2,563 branches spread across 25 states. The group has invested substantially in technology to effectively benefit from its geographical reach. Going forward, the group plans to leverage business synergies with other IIFL entities for cross-selling of financial products (such as insurance and mutual funds) and retail loan products, given the already established branch and distribution platform.

On a standalone level, IIFL Finance had an AUM of Rs 19,199 crore as on March 31, 2021 (Rs 16,057 crore as on March 31, 2020) primarily towards gold loans (68%), business loans (11%) and developer and construction finance (18%).

IIFL Home had an AUM of Rs 20,694 crore as on March 31, 2021 (Rs 18,495 crore as on March 31, 2020) largely toward home loans (70%), followed by LAP (26%) and construction finance (4%).

Samasta had an AUM of Rs 4796 crore as on March 31, 2021 (Rs 3,400 crore as on March 31, 2020).

- **Adequate capitalisation**

The IIFL Finance group is adequately capitalised, with a consolidated networth of around Rs 5,393 crore as on March 31, 2021 (Rs 4,766 crore as on March 31, 2020). Networth coverage for net non-performing assets (NPAs) was comfortable at around 16 times as on March 31, 2021 (17 times as on March 31, 2020). On-book gearing as on same date was adequate at around 5.3 times; however, CRISIL Ratings-adjusted gearing (on-book borrowings + securitization/assignment) was higher at around 8.0 times. Nevertheless, the group has demonstrated its ability to raise capital from long-term marquee investors such as Fairfax and the CDC group (Rs 1000 crore raised from CDC in fiscal 2017). Also, the company has recently raised subordinated bonds to boost capitalization levels. Given the growth plans, capitalisation should remain adequate for the current scale of operations. However, the ability to raise capital and manage leverage levels over the medium term will be an important factor.

As on March 31, 2021, IIFL Finance (standalone) had a net worth and CRISIL Ratings-adjusted gearing stood at Rs 3,821 crore and 5.5 times, respectively. It had a Tier-I capital adequacy ratio (CAR) and overall CAR of 17.5% and 25.4%, respectively, as on same date. Networth coverage for net NPAs was around 27 times.

As on March 31, 2021, IIFL Home had a networth and CRISIL Ratings- adjusted gearing of Rs 2,164 crore and 8.6 times, respectively. Its Tier-I and overall CAR stood at 19.61% and 22.98%, respectively, as on same date. Networth coverage for net NPAs was around 12 times.

As on March 31, 2021, Samasta's net worth and CRISIL Ratings-adjusted gearing stood at Rs 649 crore and 6.3 times, respectively. Tier-I and overall CAR were 15.1% and 18.5%, respectively, as on same date.

Weakness:

• Limited seasoning of some of the asset classes like home loans and MSME loans

IIFL Finance group's loan portfolio (excluding CV finance) has recorded a three-year compound annual growth rate of around 18%. Given the scale up of the loan book in recent years and entry into newer segments, the portfolio remains unseasoned and hence, overall asset quality is yet to be tested through cycles. While certain products have a shorter tenure, and hence, have seen a complete cycle, home loans and MSME lending have limited seasoning so far. Home loans are long tenure products and MSME lending is a recent addition to the product suite. Reported gross NPAs and net NPAs stood at 2.14% and 0.97%, respectively, as on March 31, 2021 (2.31% and 0.97%, respectively, as on March 31, 2020). However, excluding the discontinued healthcare finance business, gross NPAs and Net NPAs stood at 1.98% and 0.89% as on March 31, 2021 (2.04% and 0.82%, respectively, as on March 31, 2020). Also, while increasing focus on small-ticket retail loans will benefit the inherent asset quality over the medium term, ability to underwrite and maintain strong credit practices across asset classes, amid stiff competition from established players, remains to be seen.

NPAs in the wholesale book declined, supported partly by write-offs, to 1.1% as on March 31, 2021, from 3.8% as on March 31, 2020. Nevertheless, the share of wholesale lending has come down over the past few years (10% of the overall AUM as on March 31, 2021). Further, IIFL Finance plans to transfer a significant proportion of the wholesale lending, primarily large ticket RE loans, to an AIF platform in the near term. Given the current macro environment, asset quality on exposures such as developer loans and large ticket LAP would be a key monitorable for all lenders, including IIFL Finance.

While retail asset quality has remained under control in the past, it could witness an increase in delinquencies across segments post the onset of the second wave of Covid-19 which had impacted the cash flows of the underlying borrowers. Any sharp deterioration in asset quality, will also impact profitability and capital, and remains a key rating monitorable.

Gross NPA of IIFL Finance (standalone), IIFL Home and Samasta stood at 2.4%, 2.0% and 1.8%, respectively, as on March 31, 2021 (3.1%, 1.6% and 1.5%, respectively, as on March 31, 2020).

Liquidity: Strong

The asset liability maturity (ALM) profile of IIFL Finance shows that liquidity position, on a consolidated basis, is adequate, with positive cumulative mismatches in most of the buckets up to one year as of March 2021. The housing finance business, however, has mismatches, given the relatively long tenure of its assets, vis-a-vis its borrowings. The mismatches are, nevertheless, efficiently managed, through unutilised bank lines. Commercial paper borrowings were nil as on March 31, 2021.

As on April 30, 2021, IIFL Finance (consolidated) had a liquidity cushion of Rs 2,144 crore (Rs 1,812 crore of cash and equivalents and Rs 332 crore of unutilized bank lines including securitization lines). Against this, it has total debt obligations of Rs 1,702 crore over the three months through August 2021. Further, the company has additional funding under pipeline aggregating ~Rs 3,500 crore in the current quarter.

The group has raised around Rs 23,793 crore in fiscal 2021, via NCDs (including retail issuances), bank funding and securitisation.

Outlook: Stable

CRISIL Ratings believe that IIFL Finance will maintain its diversified product offerings and adequate capitalisation levels. Also, CRISIL Ratings expects collection efficiency and thereby asset quality metrics to remain under control in the near to medium term

Rating Sensitivity factors

Upward Factors:

- Significant improvement in market position while improving asset quality
- Improvement in profitability, with return on managed assets (RoMA) beyond 3.0% on a sustained basis

Downward Factors:

- Deterioration in the asset quality, with GNPA increasing to above 5% over an extended period, thereby impacting profitability
- Weakening of capitalisation metrics with higher than expected gearing on a sustained basis
- Continued funding access challenges for non-banking sector with limited fund-raising by IIFL Finance Group and reduction in liquidity levels
- Drop in collections metrics and delay in achieving pre-pandemic levels

About IIFL Home Finance

IIFL Home is a wholly owned subsidiary of India Infoline Finance and is registered with National Housing Bank (NHB) as a housing finance company (HFC). The company primarily offers low ticket home loans, LAP and corporate mortgage loans (lower ticket developer funding).

CRISIL has also analysed the standalone financials of IIFL Home. As of March 31, 2021, the company had an AUM of Rs 20,694 crore (Rs 18,495 crore as on March 31, 2021). The company had a networth of Rs 2,146 crore as on March 31, 2021

(Rs 1,800 crore as of March 31, 2020). It reported a total income (net of interest expense) of Rs 1,014 crore and profit after tax (PAT) of Rs 401 crore in fiscal 2021 (Rs 716 crore and Rs 245 crore, respectively, in fiscal 2020).

About IIFL Finance

IIFL Finance is the listed holding company of the IIFL Finance group and is registered as a systemically important non-deposit-taking non-banking financial company (NBFC). The group offers various retail lending products, including gold loans, home loans, LAP, business loans, microfinance and capital market based lending (margin funding and loans against shares). It also offers construction and developer finance.

In fiscal 2008, IIFL Finance (erstwhile IIFL Holdings Limited) launched its retail finance business through the NBFC, Moneyline Credit Ltd, which was merged with India Infoline Finance Ltd. In fiscal 2009, India Infoline Housing Finance Ltd received registration as a housing finance company from the National Housing Bank and was subsequently renamed as IIFL Home Finance Limited. In fiscal 2017, IIFL Finance ventured into microfinance after the acquisition of micro lender Samasta Microfinance.

In January 2018, IIFL Finance announced plans to reorganise its corporate structure, and list IIFL Finance (loans and mortgages business), IIFL Wealth Management Limited (wealth and asset management business), and IIFL Securities Limited (capital markets and other businesses). As part of the restructuring scheme, IIFL Wealth Management Limited and IIFL Securities Limited were demerged from IIFL Finance in May 2019 and were listed in September 2019. In March 2020, India Infoline Finance Ltd was merged into IIFL Finance, the listed entity of the lending business.

As of March 31, 2021, promoters held 24.98% stake in IIFL Finance, while 29.86% is held by Prem Watsa controlled Fairfax Holdings and 15.46% by CDC Group PLC.

CRISIL Ratings has also analysed the standalone financials of IIFL Finance. The company reported a total income (net of interest expenses) and profit after tax (PAT) of Rs 1,881 crore and Rs 343 crore, respectively, in fiscal 2021, against Rs 1,385 crore and Rs 149 crore, respectively, in the previous fiscal.

IIFL Finance (consolidated) had total income (net of interest expenses) and PAT of Rs 3,364 crore and Rs 761 crore, respectively, in fiscal 2021 as against a total income (net of interest expenses) and PAT of Rs 2,521 crore and Rs 503 crore, respectively, in fiscal 2020.

Key Financial Indicators: IIFL Finance (consolidated; CRISIL Ratings adjusted numbers)

As on / for the period ended		March 2021	March 2020
Total Assets	Rs crore	40,667	34341
Total income (net of interest expenses)	Rs crore	3,364	2,521
Profit after tax	Rs crore	761	503
Gross NPA	%	2.14	2.31
Return on managed assets	%	1.6	1.2
Gearing	Times	5.3	5.2
Adjusted gearing	Times	8.0	7.7

IIFL Home Finance (standalone; CRISIL Ratings adjusted numbers)

As on / for the period ended		March 2021	March 2020
Total income (net of interest expenses)	Rs crore	1,014	716
Profit after tax	Rs crore	401	245
Gross NPA	%	2.0	1.6
Adjusted gearing	Times	8.6	9.9

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name of Instrument	Date of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Cr)	Complexity Levels	Outstanding rating with Outlook
NA	Commercial Paper	NA	NA	7-365 days	5000	Simple	CRISIL A1+
INE477L07883	Debentures/Bonds	24-Jul-18	9.35%	26-Jul-21	219	Simple	CRISIL AA/Stable
INE477L07891	Debentures/Bonds	24-Jul-18	9.35%	15-Jul-21	24	Simple	CRISIL AA/Stable
INE477L07909	Debentures/Bonds	24-Jul-18	9.38%	24-Jan-22	50	Simple	CRISIL AA/Stable
INE477L07883	Debentures/Bonds	08-Aug-18	9.35%	26-Jul-21	16.06	Simple	CRISIL AA/Stable
INE477L07917	Debentures/Bonds	29-Aug-18	9.35%	11-Aug-21	69	Simple	CRISIL AA/Stable
INE477L07917	Debentures/Bonds	31-Aug-18	9.35%	11-Aug-21	5	Simple	CRISIL AA/Stable

INE477L07941	Debentures/Bonds	17-Sep-18	9.45%	04-Apr-22	24	Simple	CRISIL AA/Stable
INE477L07958	Debentures/Bonds	25-Sep-18	9.55%	29-Sep-22	58	Simple	CRISIL AA/Stable
INE477L07917	Debentures/Bonds	12-Oct-18	10.20%	11-Aug-21	19.78	Simple	CRISIL AA/Stable
INE477L07966	Debentures/Bonds	12-Oct-18	10.20%	26-Oct-21	10	Simple	CRISIL AA/Stable
INE477L07982	Debentures/Bonds	20-Dec-18	10.33%	19-Dec-25	15	Simple	CRISIL AA/Stable
INE477L07AA6	Debentures/Bonds	20-Mar-19	10.05%	20-Mar-26	15	Simple	CRISIL AA/Stable
INE477L08121	Debentures/Bonds	13-Jul-18	9.85%	13-Jul-28	30	Simple	CRISIL AA/Stable
INE477L07917	Debentures/Bonds	29-Aug-18	9.35%	11-Aug-21	5	Simple	CRISIL AA/Stable
INE477L07AD0	Debentures/Bonds	03-Oct-19	9.18%	03-Oct-29	300	Simple	CRISIL AA/Stable
INE477L07AE8	Debentures/Bonds	19-Aug-20	8.00%	18-Feb-22	100	Simple	CRISIL AA/Stable
INE477L07AE8	Debentures/Bonds	19-Aug-20	8.00%	18-Feb-22	25	Simple	CRISIL AA/Stable
INE477L07AF5	Debentures/Bonds	12-Nov-20	8.69%	12-Nov-30	300	Simple	CRISIL AA/Stable
INE477L07AG3	Debentures/Bonds	11-Feb-21	8.60%	11-Feb-28	18	Simple	CRISIL AA/Stable
INE477L07AH1	Debentures/Bonds	12-Mar-21	8.62%	12-Mar-28	19	Simple	CRISIL AA/Stable
NA	Debentures/Bonds*	NA	NA	NA	758.14	Simple	CRISIL AA/Stable
INE477L07AI9	Debentures/Bonds	16-Apr-21	8.70%	16-Apr-29	36.019	Simple	CRISIL AA/Stable
INE477L07AJ7	Debentures/Bonds	14-May-21	8.70%	14-May-30	36	Simple	CRISIL AA/Stable
INE477L07933	Long Term Principal Protected Market Linked Debentures	06-Sep-18	9.35%	21-Apr-22	115	Highly Complex	CRISIL PP-MLD AAr/Stable
INE477L07990	Long Term Principal Protected Market Linked Debentures	24-Jan-19	9.12%	25-Apr-24	30	Highly Complex	CRISIL PP-MLD AAr/Stable
INE477L07990	Long Term Principal Protected Market Linked Debentures	04-Feb-19	10.30%	25-Apr-24	20.19	Highly Complex	CRISIL PP-MLD AAr/Stable
INE477L07AB4	Long Term Principal Protected Market Linked Debentures	28-Mar-19	10.30%	27-Jun-24	20	Highly Complex	CRISIL PP-MLD AAr/Stable
NA	Long Term Principal Protected Market Linked Debentures*	NA	NA	NA	114.81	Highly Complex	CRISIL PP-MLD AAr/Stable
INE477L08139	Principal Protected Market Linked Non-Convertible Subordinated Debentures	14-Aug-18	9.40%	11-Aug-28	100	Highly Complex	CRISIL PP-MLD AAr/Stable
INE477L08139	Principal Protected Market Linked Non-Convertible Subordinated Debentures	11-Sep-18	9.40%	11-Aug-28	18.43	Highly Complex	CRISIL PP-MLD AAr/Stable
INE477L08139	Principal Protected Market Linked Non-Convertible Subordinated Debentures	28-Sep-18	9.40%	11-Aug-28	8.09	Highly Complex	CRISIL PP-MLD AAr/Stable
NA	Principal Protected Market Linked Non-Convertible Subordinated Debentures*	NA	NA	NA	73.48	Highly Complex	CRISIL PP-MLD AAr/Stable
NA	Term loan 1 (PNB - eOBC)	03-May-18	NA	03-May-23	165.97	NA	CRISIL AA/Stable
NA	Term loan 2 (Bol)	29-Jun-18	NA	29-Jun-	166.62	NA	CRISIL AA/Stable

				23			
NA	Term loan 3 (RBL)	02-Nov-18	NA	01-May-21	100	NA	CRISIL AA/Stable
NA	Term loan 4 (PNB - eOBC)	19-Sep-18	NA	17-Sep-23	182.92	NA	CRISIL AA/Stable
NA	Term loan 5 (BoM)	26-Mar-19	NA	25-Mar-21	131.24	NA	CRISIL AA/Stable
NA	Term loan 6 (PNB - eUJI)	28-Mar-19	NA	27-Mar-24	200	NA	CRISIL AA/Stable
NA	Term loan 7 (BoI)	27-Dec-19	NA	26-Dec-25	500	NA	CRISIL AA/Stable
NA	Term Loan 8 (Union - eCorporation)	30-Dec-19	NA	30-Dec-24	79.87	NA	CRISIL AA/Stable
NA	Term Loan 9 (Canara - eSyndicate)	23-Sep-19	NA	23-Dec-26	278.57	NA	CRISIL AA/Stable
NA	Term Loan 10 (Canara - eSyndicate)	28-Aug-19	NA	27-May-23	171.43	NA	CRISIL AA/Stable
NA	Term loan 11 (P&SB)	31-Dec-19	NA	30-Dec-27	100	NA	CRISIL AA/Stable
NA	Term loan 12 (Axis Bank)	29-Jun-18	NA	29-Dec-21	33.33	NA	CRISIL AA/Stable
NA	Term loan 13 (PNB)	29-Jun-18	NA	25-Jun-23	62.08	NA	CRISIL AA/Stable
NA	Term loan 14 (SBI)	24-Sep-18	NA	23-Sep-23	750	NA	CRISIL AA/Stable
NA	Term loan 15 (Kotak)	26-Mar-18	NA	26-Mar-22	17.86	NA	CRISIL AA/Stable
NA	Term Loan 16 (CBI)	22-Dec-20	NA	31-Dec-30	250	NA	CRISIL AA/Stable
NA	Term Loan 17 (Indian - eAllahabad)	31-Mar-20	NA	31-Mar-25	70.8	NA	CRISIL AA/Stable
NA	Term Loan 18 (Canara)	12-Nov-20	NA	12-May-30	500	NA	CRISIL AA/Stable
NA	Term Loan 19 (Karnataka)	31-Dec-20	NA	30-Oct-23	100	NA	CRISIL AA/Stable
NA	Term Loan 20 (LIC Housing)	31-Oct-20	NA	01-Nov-30	400	NA	CRISIL AA/Stable
NA	Term Loan 21 (P&SB)	22-Mar-21	NA	22-Mar-28	200	NA	CRISIL AA/Stable
NA	Term Loan 22 (LIC Housing)	NA	NA	NA	500	NA	CRISIL AA/Stable
NA	Term Loan 23 (Indian)	NA	NA	NA	400	NA	CRISIL AA/Stable
NA	Cash Credit (IDFC FIRST)	NA	NA	NA	25	NA	CRISIL AA/Stable
NA	External Commercial Borrowings# (SBI)	27-Sep-18	NA	26-Sep-23	363.08	NA	CRISIL AA/Stable
NA	Proposed Long Term Bank Facility	NA	NA	NA	251.22	NA	CRISIL AA/Stable
NA	Non-Convertible Debentures ^{^*}	NA	NA	NA	5000	NA	CRISIL AA/Stable

#Equivalent to USD 50 million

[^]Interchangeable between secured and subordinated debt, and it is for Retail Bond Issuance

*Not yet issued

Annexure – List of entities consolidated

Names of Entities Consolidated	Extent of Consolidation	Rationale for Consolidation
IIFL Finance Limited	Parent	IIFL Finance Limited
IIFL Home Finance Limited	Subsidiary	IIFL Home Finance Limited
Samasta Micro Finance Limited	Subsidiary	Samasta Micro Finance Limited
Clara Developers Private Limited	Subsidiary	Clara Developers Private Limited

Annexure - Rating History for last 3 Years

		Current		2021 (History)		2020		2019		2018		Start of 2018
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating

Fund Based Facilities	LT	6000.0	CRISIL AA/Stable	31-03-21	CRISIL AA/Stable	26-06-20	CRISIL AA/Negative	20-08-19	CRISIL AA/Stable	28-12-18	CRISIL AA/Stable	--
			--		--	18-04-20	CRISIL AA/Stable		--	15-11-18	CRISIL AA/Stable	--
			--		--	18-03-20	CRISIL AA/Stable		--	03-09-18	CRISIL AA/Stable	--
			--		--	31-01-20	CRISIL AA/Stable		--	14-08-18	CRISIL AA/Stable	--
			--		--		--		--	13-08-18	CRISIL AA/Stable	--
			--		--		--		--	19-07-18	CRISIL AA/Watch Developing	--
			--		--		--		--	12-07-18	CRISIL AA/Watch Developing	--
			--		--		--		--	06-07-18	CRISIL AA/Watch Developing	--
Commercial Paper	ST	5000.0	CRISIL A1+	31-03-21	CRISIL A1+	26-06-20	CRISIL A1+	20-08-19	CRISIL A1+	28-12-18	CRISIL A1+	--
			--		--	18-04-20	CRISIL A1+		--	15-11-18	CRISIL A1+	--
			--		--	18-03-20	CRISIL A1+		--	03-09-18	CRISIL A1+	--
			--		--	31-01-20	CRISIL A1+		--	14-08-18	CRISIL A1+	--
			--		--		--		--	13-08-18	CRISIL A1+	--
			--		--		--		--	19-07-18	CRISIL A1+	--
			--		--		--		--	12-07-18	CRISIL A1+	--
			--		--		--		--	06-07-18	CRISIL A1+	--
			--		--		--		--	20-06-18	CRISIL A1+	--
Non Convertible Debentures	LT	7152.0	CRISIL AA/Stable	31-03-21	CRISIL AA/Stable	26-06-20	CRISIL AA/Negative	20-08-19	CRISIL AA/Stable	28-12-18	CRISIL AA/Stable	CRISIL AA/Stable
			--		--	18-04-20	CRISIL AA/Stable		--	15-11-18	CRISIL AA/Stable	--
			--		--	18-03-20	CRISIL AA/Stable		--	03-09-18	CRISIL AA/Stable	--
			--		--	31-01-20	CRISIL AA/Stable		--	14-08-18	CRISIL AA/Stable	--
			--		--		--		--	13-08-18	CRISIL AA/Stable	--
			--		--		--		--	19-07-18	CRISIL AA/Watch Developing	--
			--		--		--		--	12-07-18	CRISIL AA/Watch Developing	--
			--		--		--		--	06-07-18	CRISIL AA/Watch Developing	--
			--		--		--		--	20-06-18	CRISIL AA/Watch Developing	--
			--		--		--		--	10-05-18	CRISIL AA/Watch Developing	--
			--		--		--		--	09-02-18	CRISIL AA/Watch Developing	--
Short Term Debt (Including Commercial Paper)	ST		--		--		--		--	10-05-18	CRISIL A1+	CRISIL A1+
			--		--		--		--	09-02-18	CRISIL A1+	--
Subordinated Debt	LT		--		--	26-06-20	CRISIL AA/Negative	20-08-19	CRISIL AA/Stable	28-12-18	CRISIL AA/Stable	--
			--		--	18-04-20	CRISIL AA/Stable		--	15-11-18	CRISIL AA/Stable	--
			--		--	18-03-20	CRISIL AA/Stable		--	03-09-18	CRISIL AA/Stable	--

			--		--	31-01-20	CRISIL AA/Stable		--	14-08-18	CRISIL AA/Stable	--
			--		--		--		--	13-08-18	CRISIL AA/Stable	--
			--		--		--		--	19-07-18	CRISIL AA/Watch Developing	--
			--		--		--		--	12-07-18	CRISIL AA/Watch Developing	--
Long Term Principal Protected Market Linked Debentures	LT	300.0	CRISIL PPMLD AA r /Stable	31-03-21	CRISIL PPMLD AA r /Stable	26-06-20	CRISIL PPMLD AA r /Negative	20-08-19	CRISIL PPMLD AA r /Stable	28-12-18	CRISIL PPMLD AA r /Stable	--
			--		--	18-04-20	CRISIL PPMLD AA r /Stable		--	15-11-18	CRISIL PPMLD AA r /Stable	--
			--		--	18-03-20	CRISIL PPMLD AA r /Stable		--	03-09-18	CRISIL PPMLD AA r /Stable	--
			--		--	31-01-20	CRISIL PPMLD AA r /Stable		--	--	--	--
Principal Protected Market Linked Non- Convertible Subordinated Debentures	LT	200.0	CRISIL PPMLD AA r /Stable	31-03-21	CRISIL PPMLD AA r /Stable	26-06-20	CRISIL PPMLD AA r /Negative	20-08-19	CRISIL PPMLD AA r /Stable	28-12-18	CRISIL PPMLD AA r /Stable	--
			--		--	18-04-20	CRISIL PPMLD AA r /Stable		--	15-11-18	CRISIL PPMLD AA r /Stable	--
			--		--	18-03-20	CRISIL PPMLD AA r /Stable		--	03-09-18	CRISIL PPMLD AA r /Stable	--
			--		--	31-01-20	CRISIL PPMLD AA r /Stable		--	14-08-18	CRISIL PPMLD AA r /Stable	--

All amounts are in Rs.Cr.

Annexure - Details of various bank facilities

Current facilities			Previous facilities		
Facility	Amount (Rs.Crore)	Rating	Facility	Amount (Rs.Crore)	Rating
Cash Credit	25	CRISIL AA/Stable	Cash Credit	25	CRISIL AA/Stable
External Commercial Borrowings	363.08	CRISIL AA/Stable	External Commercial Borrowings	363.08	CRISIL AA/Stable
Proposed Long Term Bank Loan Facility	251.22	CRISIL AA/Stable	Proposed Long Term Bank Loan Facility	251.22	CRISIL AA/Stable
Term Loan	5360.7	CRISIL AA/Stable	Term Loan	5360.7	CRISIL AA/Stable
Total	6000	-	Total	6000	-

Criteria Details

Links to related criteria
CRISILs Bank Loan Ratings - process, scale and default recognition
Rating Criteria for Finance Companies
CRISILs Criteria for rating short term debt
CRISILs Criteria for Consolidation
CRISILs Bank Loan Ratings

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BWR/NCD/MUM/CRC/RAM/0089/2021-22
11 June 2021

Mr. Govind Modani,
Treasurer
IIFL Home Finance Limited
802, 8th Floor, Hubtown Solaris,
Prof. N. S. Phadke Road, Vijay Nagar,
Andheri - East, Mumbai - 400069

Dear Sir,

Sub: Assignment of rating to **IIFL Home Finance Limited's** NCDs of Rs.5,000 Crs (Rupees Five Thousand Crores Only) and review of rating of various NCDs amounting to Rs.360 Crs (Rupees Three Hundred and Sixty Crores Only)

Thank you for giving us an opportunity to undertake the rating of proposed NCD issuance of Rs.5,000 Crs. On review of **IIFL Home Finance Limited's** performance based on the information and clarifications provided by your Company as well as information available in the public sources, we inform you that the rating of IIFL Home Finance Limited's various debt instruments is as mentioned in the table below:

Instrument**	Amount (Rs Crs)		Tenure	Rating*	
	Previous	Present		Previous (06 April 2021)	Present
Non-convertible Debentures^	--	5,000	Long Term	--	BWR AA+/ Negative (Assigned)
Unsecured Subordinated Non-convertible Debentures	100.00	100.00	Long Term	BWR AA+/ Negative	BWR AA+/ Negative (Reaffirmed)
Subordinated Non-convertible Debentures	235.00	235.00			
Secured Non-convertible Debentures	25.00	25.00			
Total	360.00	5,360.00	Rupees Five Thousand Three Hundred Sixty Crores Only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

** ISIN details of NCDs are provided in Annexure-I

^ Public Issue (Retail); Interchangeable between secured & subordinated NCDs

Instruments with this rating are considered to have a high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The Rating letter validity is twelve months from the date of this letter and is subject to terms and conditions that were agreed in your mandate dated 14 Mar 2019, BWR letter BWR/NCD/MUM/CRC/RAM/0627/2020-21 dated 31 March 2021 and other correspondence, if any and Brickwork Ratings' standard disclaimer appended below. Brickwork would conduct surveillance every year till maturity/ redemption of the instruments. You are required to submit information for the purpose of surveillance/review. Please note that Brickwork Ratings would need to be kept informed of any significant information/ development that may affect your Company's finances/ performance without any delay. You are also requested to provide No Default Statement on a monthly basis.



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Please acknowledge.

Best Regards,

Ramya Muraledharan
Director - Ratings

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IIFL Home Finance Limited

ANNEXURE I - INSTRUMENT (ISIN) DETAILS

Instrument	Issue Date	Amount Raised in Crs.	Coupon Rate	Maturity Date	ISIN Particulars
Subordinated NCD	21-Jan-16	10.00	9.30%	25-Jan-22	INE477Lo8055
Subordinated NCD	12-Feb-16	10.00	9.30%	11-Feb-22	INE477Lo8063
Subordinated NCD	30-May-16	15.00	9.30%	29-May-23	INE477Lo8071
Subordinated NCD	27-Jul-17	75.00	8.85%	27-Jul-27	INE477Lo8089
Subordinated NCD	27-Jul-17	100.00	8.93%	14-Apr-23	INE477Lo8097
Subordinated NCD	28-Feb-18	10.00	9.05%	28-Feb-28	INE477Lo8105
Subordinated NCD	18-Jun-18	40.00	9.85%	16-Jun-28	INE477Lo8113
Subordinated NCD	13-Jul-18	20.00	9.85%	13-Jul-28	INE477Lo8121
Subordinated NCD	13-Jul-18	10.00	9.85%	13-Jul-28	INE477Lo8121
Secured NCD	20-Mar-19	15.00	10.05%	20-Mar-26	INE477Lo7AA6
Proposed NCD	-	5,055.00		Yet to be raised	
Total		5,360.00			

RATING RATIONALE

11 June 2021

IIFL Home Finance Limited

Brickwork Ratings assigns rating to proposed NCDs of Rs.5,000 Crs and reaffirms ratings of existing Non-Convertible Debentures of IIFL Home Finance Limited.

Particulars:

Instrument**	Amount (Rs Crs)		Tenure	Rating*	
	Previous	Present		Previous (06 April 2021)	Present
Non-convertible Debentures - Proposed ^	--	5,000.00	Long Term	--	BWR AA+/ Negative (Assigned)
Unsecured Subordinated Non-convertible Debentures	100.00	100.00	Long Term	BWR AA+/ Negative	BWR AA+/ Negative (Reaffirmed)
Subordinated Non-convertible Debentures	235.00	235.00			
Secured Non-convertible Debentures	25.00	25.00			
Total	360.00	5,360.00	Rupees Five Thousand Three Hundred Sixty Crores Only		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

** Details of NCDs are provided in Annexure-I

^ Public Issue; Interchangeable between secured and subordinated debt

RATING ACTION / OUTLOOK

Brickwork Ratings (BWR) assigns BWR AA+/Negative to the proposed non-convertible debentures (NCDs) of Rs.5,000 Crs, and reaffirms the rating of existing NCDs of IIFL Home Finance Limited (IIFL or the company) at BWR AA+/Negative, as tabulated above. The rating continues to factor in the IIFL Finance group's diversified presence in the retail financing space, qualified and experienced management team, adequate capitalisation and diversified resource mix. The rating is, however, constrained by the limited seasoning of the group's loan portfolio, particularly in the home loan and business loan segments, and the average asset quality. The continuation of the Negative outlook is on account of the expectation of continued pressure on the asset quality, specifically in the micro small and medium enterprise (MSME) and real estate segments, which comprise about 26% of the portfolio as on 31 March, 2021. Also, given the growth in the Home Loan and MSME segments (CAGR of 29.73% and 73.44%, respectively, over the past 2 years) and limited seasoning of this book, the impact of the second wave of Covid-19 on these segments is yet to be seen. BWR shall continue to monitor the delinquency levels and asset quality of the portfolio.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA

For arriving at its ratings, BWR has taken a consolidated view on IIFL Finance Limited (IIFL Finance) and its subsidiaries IIFL Home Finance Limited and Samasta Microfinance Limited (collectively referred to as the lending arm of the IIFL Finance group) on account of these entities having strong operational, financial and managerial linkages. The rating also factors in the synergies the IIFL Finance Group derives from IIFL Wealth Management Limited and IIFL Securities Limited, given the common promoters and shared brand name. BWR has applied its rating methodology as detailed in the Rating Criteria (hyperlinks provided at the end of this rationale).

KEY RATING DRIVERS

Credit Strengths:

Diversified business profile:

IIFL Finance Ltd is a retail focused diversified NBFC in India, engaged in the business of loans and mortgages along with its subsidiaries - IIFL Home Finance Limited and Samasta Microfinance Limited. The company has classified home loans, LAP, MSME business loans, gold loans and microfinance loans, as the core growth segment, accounting for about 89% of the AUM as on 31 March 2021. Additionally, the company also offers other products such as construction and real estate finance and capital market lending.

The assets under management (AUM) grew by 17.7% year-on-year, to Rs.44,688 Crs as on 31 March 2021, from Rs.37,951 Crs as on the previous year-end. The growth in AUM is mainly attributable to the growth in the gold loan segment and MFI segments, which grew by 44% and 39%, respectively during FY21.

In terms of composition of the AUM as on 31 March 2021, home loans constituted 32.31%, followed by gold loans at 29.42%, business loans (including loan against property) at 12.17%, MFI loans at 10.60%, and developer finance loans at 9.48%; the rest were loans to the capital market segment. The assigned loan book, of Rs.11,076 Cr constituted 25% of the AUM as on 31 March 2021. IIFL Finance also benefits from the synergies it derives from IIFL Wealth Management Limited and IIFL Securities Limited, given the common promoters and shared brand name.

Diversified resource mix: IIFL Finance has a diversified resource profile and has demonstrated its ability to raise funds through various sources. The company was able to raise long-term funds of Rs 21,512 Crs in FY21, of which around 52% was through the securitisation/assignment route, while 37% was in the form of term loans/refinance from National Housing Bank (NHB) and 11% in the form of NCDs/bonds.

As on March 31, 2021, the consolidated borrowings stood at Rs.28,426 Crs, as against Rs.25,734 Crs as on the previous year-end. Of the total borrowings as on 31 March 2021, 53% was in the form of term loans, 37% in the form of non-convertible debentures, and 10% was in the form of refinance. IIFL Finance relies on Assignment and Securitisation as one of the key sources to raise funds, since 90% of the loans as on 31 March 2021 are retail in nature and around 36% are PSL compliant. As on 31 March 2021, the company had raised Rs.14,904 Crs through this route.



Adequate capitalisation: IIFL Finance is adequately capitalised, with the consolidated net worth and gearing of Rs 5,393 Crs and 5.98 times, respectively, as on 31 March 2021; the same improved from Rs 4,766 Crs and 5.66 times, respectively, as on 31 March 2020.

The capital adequacy ratio of IIFL Finance Ltd. (standalone), IIFL Home Finance Ltd. and Samasta Microfinance Ltd. stood at 25.4%, 23.2% and 18.5%, respectively, as on 31 March 2021, as against the regulatory requirement of 15%. Tier I CAR for IIFL Finance Ltd stood at 17.5% as on 31 March 2021, as against the regulatory requirement of 10%. The capital adequacy ratios improved as the company raised Rs.670 Crs through sub debt in FY21.

On a standalone basis, IIFL's net worth and gearing stood at Rs.2,146 Crs and 6.06 times as on 31 March 2021 (Rs 1,800 Crs and 6.63 times respectively as on 31 March 2020).

Experienced management and strong ownership: IIFL Finance Group is led by a qualified and experienced management team with strong experience in the financial services domain. The board consists of Mr. Nirmal Jain (the founder of IIFL Group and chairman of IIFL Finance), Mr. R. Venkataraman (co-founder and Managing Director of IIFL Finance) and other independent directors. IIFL Finance is a listed company in which promoters held 24.98%, the Fairfax group held 29.86%, CDC Group PLC held 15.46% and foreign investors held 14.97% as on 31 March 2021.

Credit Risks:

Limited loan seasoning: IIFL Finance's AUM has largely grown in the last three to four years. IIFL Finance's AUM grew from Rs 22,281 Crs as on 31 March 2017 to Rs 44,688 Crs as on 31 March 2021. Home loans, having a tenor of about 20 years, and business loans, with tenor of upto 12 years, constituted ~45% of the total AUM as on 31 March 2021. The company's portfolio has limited seasoning, especially in the home loan and LAP segments.

Average asset quality: IIFL Finance witnessed some asset quality pressure in FY20, which has continued in the next fiscal largely due to the looming of the COVID-19 pandemic. The consolidated gross NPA increased from 1.96% as on 31 March 2019 to 2.31% as on 31 March 2020, coming down marginally to 2.14% as on 31 March 2021, largely due to write-offs. During FY21, slippages were mainly on account of Business and MFI loans.

Provision Coverage Ratio (PCR) for Stage-3 assets at a consolidated level stood at 54.9%. The overall PCR as a percentage of the total loan book stood at 3.89% as on 31 March, 2021. Any incremental slippages from Stage 2 to Stage 3 shall be a key monitorable.

Segment-wise GNPA percentages have deteriorated on a year-on-year basis. GNPA for business loans, home loans and MFI loans stood at 5.7%, 1.5% and 1.8%, respectively, as on 31 March 2021, as against 2.0%, 1.1% and <1% respectively, as on the previous-year end.

About 75% of the home loans are for affordable residential projects, with an average ticket size of Rs.17.3 lakhs. Furthermore, as the asset quality of the real estate segment is more susceptible to the economic slowdown as a result of the COVID-19 pandemic, the performance of this segment is a key monitorable. BWR expects the asset quality pressures to continue for next few quarters due to the impact of COVID-19 pandemic on the company's borrowers.



IIFL Finance's ability to improve collections, control slippages and manage asset quality will be a key rating monitorable.

IIFL Finance is in the process of transferring substantial part of its Construction & Real Estate loan assets to an Alternative Investment Fund. As per the communication from the company, IIFL Finance will continue to own at least a third of the AIF's units. The AIF has a target fund size of Rs.3,600 Crs and has completed the transfer of one tranche of Rs.1,200 Crs to Credit Opportunities III PTE. Ltd, a fund managed by Ares SSG Capital Management. The transfer of the second tranche of Rs.1,200 Crs is under process.

RATING SENSITIVITIES

Going forward, the company's ability to improve its asset quality, steadily grow its portfolio and maintain a prudent capital structure will be key rating sensitivity factors.

Positive: An improvement in asset quality and collection efficiency, along with the company's ability to steadily grow its AUM with a sustained improvement in profitability are key rating positives.

Negative: A deterioration in asset quality, thereby impacting profitability, or reduction in liquidity levels, increase in gearing or challenges in raising funds at competitive rates are key rating negatives.

LIQUIDITY POSITION: ADEQUATE

As per IIFL Finance's asset liability maturity (ALM) profile as on 31 March 2021, there are no negative cumulative mismatches on a consolidated basis. The company has reduced its dependence on commercial paper borrowings and has been able to raise long-term funding in the form of term loans/NCDs and securitisation.

IIFL Home Finance Ltd. has scheduled debt repayment obligations of Rs.3,830 Crs for the next 1 year, from May, 2021 to April, 2022. At a standalone level, IIFL Home Finance Ltd. has liquidity to the extent of Rs.648 Crs, as on 30 April 2021, including cash & cash equivalents, fixed deposits and unutilised bank lines. Additionally, the company has average monthly collections of Rs.475 Crs.

On a consolidated basis, the group has scheduled debt repayment obligations of Rs.8,266 Crs, from May, 2021 to April, 2022, against which it has adequate liquidity of Rs.2,144 Crs as on 30 April, 2021, in the form of cash/FDs/ unutilised cash credit lines. The consolidated average monthly collections are Rs.3,500 Crs.

COMPANY PROFILE - IIFL Finance

IIFL Finance is a listed company in which promoters held 24.98%, the Fairfax group held 29.86%, CDC Group PLC held 15.46% and foreign investors held 14.97% as on 31 March 2021. IIFL Finance (erstwhile IIFL Holdings Limited) was the holding company for the entire IIFL group. The group had subsequently reorganised its corporate structure, wherein the Securities Business Undertaking and Wealth Business Undertaking of IIFL Holdings Limited were demerged into IIFL Securities Limited and IIFL Wealth Management Limited, respectively. IIFL Holdings Limited was renamed IIFL Finance Limited and now is the holding company for the

lending businesses of the IIFL group. IIFL Finance is a retail-focused NBFC with a diversified loan book and offers products such as home loans, gold loans, microfinance, MSME business loans, LAP, construction finance and capital market finance. IIFL Finance has two key operating subsidiaries, IIFL Home Finance Ltd (in which it holds 100%) and Samasta Microfinance Ltd (in which IIFL Finance along with its subsidiary IIFL Home Finance Ltd holds 99.09%). The IIFL Finance group has a widespread branch network, with 2563 branches spread across 25 states, of which ~83% branches are in Tier-II and Tier-III cities and rural areas.

COMPANY PROFILE - IIFHL

IIFL Home Finance Ltd [erstwhile India Infoline Housing Finance Ltd (IIFHL)] was incorporated in 2006 and is registered with NHB. IIFHL primarily offers financial products such as home loans, LAP and project loans.

KEY FINANCIAL INDICATORS (IIFL Finance Limited - Consolidated)

Key Parameters	Units	FY19	FY20	FY21
Result Type		Audited	Audited	Audited
Total income	(in Rs Crs)	5,085	4,820	5,989
Net profit	(in Rs Crs)	796	503	761
Networth	(in Rs Crs)	4,359	4,766	5,393
Gearing	(in times)	6.08	5.66	5.98
Total AUM	(in Rs Crs)	34,903	37,951	44,688
Gross NPA	(%)	1.96	2.31	2.15
Net NPA	(%)	0.63	0.97	0.97

KEY FINANCIAL INDICATORS (IIFL Home Finance Ltd)

Key Parameters	Units	FY19	FY20	FY21
Result Type		Audited	Audited	Audited
Total income	(in Rs Crs)	1,828	1,775	2,068
Net profit	(in Rs Crs)	306	245	401
Networth	(in Rs Crs)	1,597	1,800	2,146
Gearing	(in times)	7.50	6.63	6.06
Total capital adequacy ratio	(%)	21.02	23.71	23.20
Total AUM	(in Rs Crs)	18,158	18,495	20,694
Gross NPA	(%)	0.88	1.60	1.96
Net NPA	(%)	0.67	1.22	1.23

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED: NA

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: NA

RATING HISTORY FOR THE PREVIOUS THREE YEARS (Including withdrawal & suspended)

Sr. No.	Name of Instrument	Current Rating (2021)			Rating History for the past 3 years											
		Type	Amt (Cr)	Rating	2021			2020			2019			2018		
1	Secured NCDs	Long Term	25	BWR AA+ Negative	06.04.2021			30.03.2020			20.03.2019			21.06.2018		
					Long Term	25	BWR AA+/ Negative	Long Term	25	BWR AA+/ Negative	Long Term	25	BWR AA+/ Stable	NA		
2	Unsecured Subordinated NCDs	Long Term	100	BWR AA+ Negative	06.04.2021			30.03.2020			20.03.2019			21.06.2018		
					Long Term	100	BWR AA+/ Negative	Long Term	100	BWR AA+/ Negative	Long Term	100	BWR AA+/ Stable	Long Term	100	BWR AA+/ Stable
3	Unsecured Subordinated NCDs	Long Term	200	BWR AA+ Negative	06.04.2021			30.03.2020			20.03.2019			21.06.2018		
					Long Term	200	BWR AA+/ Negative	Long Term	200	BWR AA+/ Negative	Long Term	200	BWR AA+/ Stable	Long Term	200	BWR AA+/ Stable
4	Subordinated NCDs	Long Term	35	BWR AA+ Negative	06.04.2021			30.03.2020			20.03.2019			21.06.2018		
					Long Term	35	BWR AA+/ Negative	Long Term	35	BWR AA+/ Negative	Long Term	35	BWR AA+/ Stable	Long Term	35	BWR AA+/ Stable
5	NCDs	Long Term	5,000	BWR AA+ Negative	-			-			-			-		
Total			5,360	Rupees Five Thousand Three Hundred Sixty Crores Only												

COMPLEXITY LEVELS OF THE INSTRUMENTS

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Banks & Financial Institutions](#)
- [Consolidation of Companies](#)

Analytical Contacts	
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1-860-425-2742	media@brickworkratings.com

IIFL Home Finance Limited

ANNEXURE I

INSTRUMENT (NCD/Bonds) DETAILS

Instrument	Issue Date	Amount Raised in Crs.	Coupon Rate	Maturity Date	ISIN Particulars
Subordinated NCD	21-Jan-16	10.00	9.30%	25-Jan-22	INE477L08055
Subordinated NCD	12-Feb-16	10.00	9.30%	11-Feb-22	INE477L08063
Subordinated NCD	30-May-16	15.00	9.30%	29-May-23	INE477L08071
Subordinated NCD	27-Jul-17	75.00	8.85%	27-Jul-27	INE477L08089
Subordinated NCD	27-Jul-17	100.00	8.93%	14-Apr-23	INE477L08097
Subordinated NCD	28-Feb-18	10.00	9.05%	28-Feb-28	INE477L08105
Subordinated NCD	18-Jun-18	40.00	9.85%	16-Jun-28	INE477L08113
Subordinated NCD	13-Jul-18	20.00	9.85%	13-Jul-28	INE477L08121
Subordinated NCD	13-Jul-18	10.00	9.85%	13-Jul-28	INE477L08121
Secured NCD	20-Mar-19	15.00	10.05%	20-Mar-26	INE477L07AA6
Total		305.00			

*Of the overall rated NCDs of Rs. 5,360 Crs, Rs. 5,055 Crs are yet to be raised

ANNEXURE II

List of entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
IIFL Home Finance Ltd	100%	Full Consolidation	Subsidiary
Samasta Microfinance Ltd	99.09% #	Full Consolidation	Subsidiary

held by IIFL Finance along with its subsidiary IIFL Home Finance Ltd.



For print and digital media The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings

Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

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BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR's best judgement are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

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BWR's ratings reflect BWR's opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

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incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, www.brickworkratings.com. More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.

CL/MUM/21-22/DEB/104

May 28, 2021

IIFL Home Finance Limited

IIFL House, Sun Infotech Park,
Road No. 16V,
Plot No. B-23, MIDC,
Thane Industrial Area,
Wagle Estate, Thane - 400 604,
Maharashtra

Dear Ma'am/Sir

Sub: Proposed public issue of rated secured redeemable non-convertible debentures and/or rated unsecured subordinated redeemable non-convertible debentures ("NCDs") aggregating up to ₹ 50,000 Million ("Issue") of IIFL Home Finance Limited ("Company") in one or more tranches. The Unsecured NCDs will be in the nature of subordinated debt and shall be eligible for TIER II Capital.

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Draft Shelf Prospectus to be filed with the BSE Limited and/or The National Stock Exchange of India Limited ("**Stock Exchanges**") and to be forwarded to Securities and Exchange Board of India ("**SEBI**") and the Shelf Prospectus and respective Tranche Prospectus(es) to be filed with the Registrar of Companies, Mumbai ("**RoC**"), Stock Exchanges and to be forwarded to SEBI in respect of the Issue and also in all related advertisements and communications sent pursuant to the Issue. The following details with respect to us may be disclosed:

Name:	Catalyst Trusteeship Limited
Address:	'GDA House', Plot No. 85, Bhusari Colony (Right), Kothrud, Pune – 411038, Maharashtra
Tel:	022 4922 0555
Fax:	022 4922 0505
E-mail:	ComplianceCTL-Mumbai@ctltrustee.com
Website:	www.catalysttrustee.com
Contact Person:	Mr. Umesh Salvi
SEBI Registration No:	IND000000034
Compliance Officer:	Ms. Rakhi Kulkarni
CIN:	U74999PN1997PLC110262

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues.

We hereby authorise you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

CATALYST TRUSTEESHIP LIMITED (FORMERLY GDA TRUSTEESHIP LIMITED)

An ISO:9001 Company

Mumbai Office Windsor, 6th Floor, Office No. 604, C.S.T. Road, Kalina, Santacruz (East), Mumbai 400 098 Tel +91 (022) 4922 0555 Fax +91 (022) 4922 0505 | 4
 Regd. Office GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune 411 038 Tel +91 (020) 25280081 Fax +91 (020) 25280275
 Delhi Office Office No. 810, 8th Floor, Kailash Building, 26, Kasturba Gandhi Marg, New Delhi - 110001 Tel 11 430 29101/02.
 CIN No. U74999PN1997PLC110262 Email dt@ctltrustee.com Website www.catalysttrustee.com
 Pune | Mumbai | Bengaluru | Delhi | Chennai



We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company in the form of a press release, (i) the nature and scope of this transaction; and (ii) our knowledge of the proposed transaction of the Company; and (iii) any other information in connection thereto.

We confirm that we will immediately inform you and the Lead Managers of any change to the above information until the date when the NCDs commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs commence trading.

This letter may be relied upon by the Company, the Lead Managers and the legal advisors to the Issue in respect of the Issue.

Sincerely

For Catalyst Trustee Limited



Authorised Signatory

Name: Deesha Srikanth

Designation: Vice President



CC:

EDELWEISS FINANCIAL SERVICES LIMITED

Edelweiss House, Off CST Road,
Kalina, Mumbai - 400 098,
Maharashtra, India

IIFL SECURITIES LIMITED

10th Floor, IIFL Centre, Kamala Centre,
Senapati Bapat Marg, Lower Parel (West),
Mumbai - 400 013,
Maharashtra, India

TRUST INVESTMENT ADVISORS PRIVATE LIMITED

109/110, Balarama, Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051
Maharashtra, India

ICICI SECURITIES LIMITED

ICICI Centre, H. T. Parekh Marg,
Churchgate, Mumbai 400 020,
Maharashtra, India

EQUIRUS CAPITAL PRIVATE LIMITED

12th Floor, C Wing, Marathon Futurex,
N.M. Joshi Marg, Lower Parel,
Mumbai - 400 013,
Maharashtra, India

KHAITAN & CO LLP

One World Centre, 13th Floor, Tower 1,
Senapati Bapat Marg, Mumbai - 400 013,
Maharashtra, India



Annexure A

डिबेंचर न्यासी	प्रत्येक ख FORM-B	DEBENTURE TRUSTEE
भारतीय प्रतिभूति और विनियम बोर्ड SECURITIES AND EXCHANGE BOARD OF INDIA (डिबेंचर न्यासी) विनियम, 1993 (DEBENTURE TRUSTEE) REGULATIONS, 1993 000 258 (विनियम 8) (Regulation 8) (Regulation 8A) रजिस्ट्रीकरण प्रमाणपत्र PERMANENT REGISTRATION CERTIFICATE OF REGISTRATION		
1) बोर्ड, भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पंटेन उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए, 1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to		
CATALYST TRUSTEESHIP LIMITED GDA HOUSE, PLOT NO. 85, BHUSARI COLONY (RIGHT), PAUD ROAD PUNE - 411 038 MAHARASHTRA		
को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.		
2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है। 2) Registration Code for the debenture trustee is IND000000034		
3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधियान्य है। 3) Unless renewed, the certificate of registration is valid from to		
3) This Certificate of Registration shall be valid for permanent, unless suspended or cancelled by the Board.		
		आदेश से भारतीय प्रतिभूति और विनियम बोर्ड के लिए और उसकी ओर से By order For and on behalf of Securities and Exchange Board of India
स्थान Place :	MUMBAI	
तारीख Date :	JULY 29, 2016	 MEDHA SONPAROTE प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory



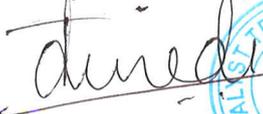
Annexure B

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee are true and correct:

1.	Registration Number	IND000000034
2.	Date of registration/ Renewal of registration	July 29, 2016
3.	Date of expiry of registration	Permanent Registration
4.	If applied for renewal, date of application	Not Applicable
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	NIL
6.	Any enquiry/ investigation being conducted by SEBI	NIL
7.	Details of any penalty imposed by SEBI	NIL

Sincerely

For Catalyst Trusteeship Limited



Authorised Signatory

Name: Deesha Srikanth

Designation: Vice President



ANNEXURE D - ILLUSTRATIVE CASH FLOW

IIFL Home Finance - NCD - Public Issue

Series I Tranche I Issue

Company	IIFL Finance Limited
Face Value per NCD (in ₹)	1,000
Number of NCDs held (assumed)	100
Deemed date of allotment (assumed)	Tuesday, 3 August, 2021
Tenor (in months)	87
Effective Yield (% per annum) for NCD Holders in Series 1	10.00%
Coupon (% per annum) for NCD Holders in Series 1	10.00%
Frequency of Interest Payment	Annual
Redemption Date/Maturity Date (assumed) (Refer Assumption 1)	Friday, 3 November, 2028
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Actual Date of Payment	No. of Days in Coupon Period	For all Categories of Investors (₹)
	Tuesday, 3 August, 2021	Tuesday, 3 August, 2021		(100,000)
1st Coupon/ Interest Payment date	Wednesday, 3 August, 2022	Wednesday, 3 August, 2022	365	10,000
2nd Coupon/ Interest Payment date	Thursday, 3 August, 2023	Thursday, 3 August, 2023	365	10,000
3rd Coupon/ Interest Payment date	Saturday, 3 August, 2024	Monday, 5 August, 2024	366	10,000
4th Coupon/ Interest Payment date	Sunday, 3 August, 2025	Monday, 4 August, 2025	365	10,000
5th Coupon/ Interest Payment date	Monday, 3 August, 2026	Monday, 3 August, 2026	365	10,000
6th Coupon/ Interest Payment date	Tuesday, 3 August, 2027	Tuesday, 3 August, 2027	365	10,000
7th Coupon/ Interest Payment date	Thursday, 3 August, 2028	Thursday, 3 August, 2028	366	10,000
8th Coupon/ Interest Payment date	Friday, 3 November, 2028	Friday, 3 November, 2028	92	2,521
Redemption of Principal	Friday, 3 November, 2028	Friday, 3 November, 2028		1,00,000
Total Cash Inflows				1,72,521

Series II Tranche I Issue

Company	IIFL Finance Limited
Face Value per NCD (in ₹)	1,000
Number of NCDs held (assumed)	100
Deemed date of allotment (assumed)	Tuesday, 3 August, 2021
Tenor (in months)	87
Effective Yield (% per annum) for NCD Holders in all Category	10.03%
Coupon (% per annum) for NCD Holders in all Category	9.60%
Frequency of Interest Payment	Monthly
Redemption Date/Maturity Date (assumed) (Refer Assumption 1)	Friday, 3 November, 2028
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Actual Date of Payment	No. of Days in Coupon Period	For all Categories of Investors (₹)
	Tuesday, 3 August, 2021			(100,000.00)
Coupon/ Interest Payment date	Wednesday, 1 September, 2021	Wednesday, 1 September, 2021	29	762.74
Coupon/ Interest Payment date	Friday, 1 October, 2021	Friday, 1 October, 2021	30	789.04
Coupon/ Interest Payment date	Monday, 1 November, 2021	Monday, 1 November, 2021	31	815.34
Coupon/ Interest Payment date	Wednesday, 1 December, 2021	Wednesday, 1 December, 2021	30	789.04
Coupon/ Interest Payment date	Saturday, 1 January, 2022	Monday, 3 January, 2022	31	815.34
Coupon/ Interest Payment date	Tuesday, 1 February, 2022	Tuesday, 1 February, 2022	31	815.34
Coupon/ Interest Payment date	Tuesday, 1 March, 2022	Tuesday, 1 March, 2022	28	736.44
Coupon/ Interest Payment date	Friday, 1 April, 2022	Monday, 4 April, 2022	31	815.34
Coupon/ Interest Payment date	Sunday, 1 May, 2022	Monday, 2 May, 2022	30	789.04
Coupon/ Interest Payment date	Wednesday, 1 June, 2022	Wednesday, 1 June, 2022	31	815.34
Coupon/ Interest Payment date	Friday, 1 July, 2022	Friday, 1 July, 2022	30	789.04
Coupon/ Interest Payment date	Monday, 1 August, 2022	Monday, 1 August, 2022	31	815.34
Coupon/ Interest Payment date	Thursday, 1 September, 2022	Thursday, 1 September, 2022	31	815.34
Coupon/ Interest Payment date	Saturday, 1 October, 2022	Monday, 3 October, 2022	30	789.04
Coupon/ Interest Payment date	Tuesday, 1 November, 2022	Tuesday, 1 November, 2022	31	815.34
Coupon/ Interest Payment date	Thursday, 1 December, 2022	Thursday, 1 December, 2022	30	789.04
Coupon/ Interest Payment date	Sunday, 1 January, 2023	Monday, 2 January, 2023	31	815.34
Coupon/ Interest Payment date	Wednesday, 1 February, 2023	Wednesday, 1 February, 2023	31	815.34
Coupon/ Interest Payment date	Wednesday, 1 March, 2023	Wednesday, 1 March, 2023	28	736.44

Cash Flows	Due Date	Actual Date of Payment	No. of Days in Coupon Period	For all Categories of Investors (₹)
Coupon/ Interest Payment date	Saturday, 1 April, 2023	Monday, 3 April, 2023	31	815.34
Coupon/ Interest Payment date	Monday, 1 May, 2023	Tuesday, 2 May, 2023	30	786.89
Coupon/ Interest Payment date	Thursday, 1 June, 2023	Thursday, 1 June, 2023	31	813.11
Coupon/ Interest Payment date	Saturday, 1 July, 2023	Monday, 3 July, 2023	30	786.89
Coupon/ Interest Payment date	Tuesday, 1 August, 2023	Tuesday, 1 August, 2023	31	813.11
Coupon/ Interest Payment date	Friday, 1 September, 2023	Friday, 1 September, 2023	31	813.11
Coupon/ Interest Payment date	Sunday, 1 October, 2023	Tuesday, 3 October, 2023	30	786.89
Coupon/ Interest Payment date	Wednesday, 1 November, 2023	Wednesday, 1 November, 2023	31	813.11
Coupon/ Interest Payment date	Friday, 1 December, 2023	Friday, 1 December, 2023	30	786.89
Coupon/ Interest Payment date	Monday, 1 January, 2024	Monday, 1 January, 2024	31	813.11
Coupon/ Interest Payment date	Thursday, 1 February, 2024	Thursday, 1 February, 2024	31	813.11
Coupon/ Interest Payment date	Friday, 1 March, 2024	Friday, 1 March, 2024	29	760.66
Coupon/ Interest Payment date	Monday, 1 April, 2024	Tuesday, 2 April, 2024	31	813.11
Coupon/ Interest Payment date	Wednesday, 1 May, 2024	Thursday, 2 May, 2024	30	789.04
Coupon/ Interest Payment date	Saturday, 1 June, 2024	Monday, 3 June, 2024	31	815.34
Coupon/ Interest Payment date	Monday, 1 July, 2024	Monday, 1 July, 2024	30	789.04
Coupon/ Interest Payment date	Thursday, 1 August, 2024	Thursday, 1 August, 2024	31	815.34
Coupon/ Interest Payment date	Sunday, 1 September, 2024	Monday, 2 September, 2024	31	815.34
Coupon/ Interest Payment date	Tuesday, 1 October, 2024	Tuesday, 1 October, 2024	30	789.04
Coupon/ Interest Payment date	Friday, 1 November, 2024	Friday, 1 November, 2024	31	815.34
Coupon/ Interest Payment date	Sunday, 1 December, 2024	Monday, 2 December, 2024	30	789.04
Coupon/ Interest Payment date	Wednesday, 1 January, 2025	Wednesday, 1 January, 2025	31	815.34
Coupon/ Interest Payment date	Saturday, 1 February, 2025	Monday, 3 February, 2025	31	815.34
Coupon/ Interest Payment date	Saturday, 1 March, 2025	Monday, 3 March, 2025	28	736.44
Coupon/ Interest Payment date	Tuesday, 1 April, 2025	Wednesday, 2 April, 2025	31	815.34
Coupon/ Interest Payment date	Thursday, 1 May, 2025	Friday, 2 May, 2025	30	789.04
Coupon/ Interest Payment date	Sunday, 1 June, 2025	Monday, 2 June, 2025	31	815.34
Coupon/ Interest Payment date	Tuesday, 1 July, 2025	Tuesday, 1 July, 2025	30	789.04
Coupon/ Interest Payment date	Friday, 1 August, 2025	Friday, 1 August, 2025	31	815.34
Coupon/ Interest Payment date	Monday, 1 September, 2025	Monday, 1 September, 2025	31	815.34
Coupon/ Interest Payment date	Wednesday, 1 October, 2025	Wednesday, 1 October, 2025	30	789.04
Coupon/ Interest Payment date	Saturday, 1 November, 2025	Monday, 3 November, 2025	31	815.34

Cash Flows	Due Date	Actual Date of Payment	No. of Days in Coupon Period	For all Categories of Investors (₹)
Coupon/ Interest Payment date	Monday, 1 December, 2025	Monday, 1 December, 2025	30	789.04
Coupon/ Interest Payment date	Thursday, 1 January, 2026	Thursday, 1 January, 2026	31	815.34
Coupon/ Interest Payment date	Sunday, 1 February, 2026	Monday, 2 February, 2026	31	815.34
Coupon/ Interest Payment date	Sunday, 1 March, 2026	Tuesday, 3 March, 2026	28	736.44
Coupon/ Interest Payment date	Wednesday, 1 April, 2026	Thursday, 2 April, 2026	31	815.34
Coupon/ Interest Payment date	Friday, 1 May, 2026	Monday, 4 May, 2026	30	789.04
Coupon/ Interest Payment date	Monday, 1 June, 2026	Tuesday, 2 June, 2026	31	815.34
Coupon/ Interest Payment date	Wednesday, 1 July, 2026	Thursday, 2 July, 2026	30	789.04
Coupon/ Interest Payment date	Saturday, 1 August, 2026	Monday, 3 August, 2026	31	815.34
Coupon/ Interest Payment date	Tuesday, 1 September, 2026	Tuesday, 1 September, 2026	31	815.34
Coupon/ Interest Payment date	Thursday, 1 October, 2026	Thursday, 1 October, 2026	30	789.04
Coupon/ Interest Payment date	Sunday, 1 November, 2026	Monday, 2 November, 2026	31	815.34
Coupon/ Interest Payment date	Tuesday, 1 December, 2026	Tuesday, 1 December, 2026	30	789.04
Coupon/ Interest Payment date	Friday, 1 January, 2027	Friday, 1 January, 2027	31	815.34
Coupon/ Interest Payment date	Monday, 1 February, 2027	Monday, 1 February, 2027	31	815.34
Coupon/ Interest Payment date	Monday, 1 March, 2027	Monday, 1 March, 2027	28	736.44
Coupon/ Interest Payment date	Thursday, 1 April, 2027	Friday, 2 April, 2027	31	815.34
Coupon/ Interest Payment date	Saturday, 1 May, 2027	Monday, 3 May, 2027	30	786.89
Coupon/ Interest Payment date	Tuesday, 1 June, 2027	Tuesday, 1 June, 2027	31	813.11
Coupon/ Interest Payment date	Thursday, 1 July, 2027	Thursday, 1 July, 2027	30	786.89
Coupon/ Interest Payment date	Sunday, 1 August, 2027	Monday, 2 August, 2027	31	813.11
Coupon/ Interest Payment date	Wednesday, 1 September, 2027	Wednesday, 1 September, 2027	31	813.11
Coupon/ Interest Payment date	Friday, 1 October, 2027	Friday, 1 October, 2027	30	786.89
Coupon/ Interest Payment date	Monday, 1 November, 2027	Monday, 1 November, 2027	31	813.11
Coupon/ Interest Payment date	Wednesday, 1 December, 2027	Wednesday, 1 December, 2027	30	786.89
Coupon/ Interest Payment date	Saturday, 1 January, 2028	Monday, 3 January, 2028	31	813.11
Coupon/ Interest Payment date	Tuesday, 1 February, 2028	Tuesday, 1 February, 2028	31	813.11
Coupon/ Interest Payment date	Wednesday, 1 March, 2028	Wednesday, 1 March, 2028	29	760.66
Coupon/ Interest Payment date	Saturday, 1 April, 2028	Monday, 3 April, 2028	31	813.11
Coupon/ Interest Payment date	Monday, 1 May, 2028	Tuesday, 2 May, 2028	30	789.04
Coupon/ Interest Payment date	Thursday, 1 June, 2028	Thursday, 1 June, 2028	31	815.34
Coupon/ Interest Payment date	Saturday, 1 July, 2028	Monday, 3 July, 2028	30	789.04

Cash Flows	Due Date	Actual Date of Payment	No. of Days in Coupon Period	For all Categories of Investors (₹)
Coupon/ Interest Payment date	Tuesday, 1 August, 2028	Tuesday, 1 August, 2028	31	815.34
Coupon/ Interest Payment date	Friday, 1 September, 2028	Friday, 1 September, 2028	31	815.34
Coupon/ Interest Payment date	Sunday, 1 October, 2028	Tuesday, 3 October, 2028	30	789.04
Coupon/ Interest Payment date	Wednesday, 1 November, 2028	Wednesday, 1 November, 2028	31	815.34
Coupon/ Interest Payment date	Friday, 3 November, 2028	Friday, 3 November, 2028	2	52.60
Redemption of Principal	Friday, 3 November, 2028	Friday, 3 November, 2028		100,000.00
Total Cash Inflows				169,619.73

Series III Tranche I Issue

Company	IIFL Finance Limited
Face Value per NCD (in ₹)	1,000
Number of NCDs held (assumed)	100
Deemed date of allotment (assumed)	Tuesday, 3 August, 2021
Tenor (in months)	87
Effective Yield (% per annum) for NCD Holders in all Category	10.02%
Coupon (% per annum) for NCD Holders in all Category	NA
Frequency of Interest Payment	At Maturity
Redemption Date/Maturity Date (assumed) (Refer Assumption 1)	Friday, 3 November, 2028
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Actual Date of Payment	No. of Days in Coupon Period	For all Categories of Investors (₹)
	Tuesday, 3 August, 2021	Tuesday, 3 August, 2021		(100,000.00)
Redemption of Principal	Friday, 3 November, 2028	Friday, 3 November, 2028	2,649	200,000.00
Total Cash Inflows				200,000.00