



INDIA INFOLINE FINANCE LIMITED

India Infoline Finance Limited (the “Company” or “Issuer”) was incorporated at Mumbai on July 7, 2004 as a private limited company with the name ‘India Infoline Investment Services Private Limited’ under the provisions of the Companies Act. The status of our company was changed pursuant to a resolution of our shareholders to a public limited company on May 15, 2007 and our name was changed to ‘India Infoline Investment Services Limited’ pursuant to fresh certificate of incorporation dated July 10, 2007 issued by the Registrar of Companies, Maharashtra, Mumbai. Further the name of the Company was changed to ‘India Infoline Finance Limited’ pursuant to fresh certificate of incorporation dated November 18, 2011 issued by the Registrar of Companies, Maharashtra, Mumbai. Also, our Company has obtained a Certificate of Registration dated May 12, 2005 bearing Registration No. B-13.01792 issued by the Reserve Bank of India (“RBI”) to commence the business of a non-banking financial institution without accepting public deposits under Section 45 IA of the RBI Act, 1934. Our Company is a Systemically Important Non-Deposit taking Non-Banking Finance Company (“NBFC”). For more information about the Company, please refer “General information” and “History and Main Objects” on pages 45 and 121 of the Shelf Prospectus.

Registered Office: 12A-10, 13th Floor, Parinee Crescenzo, G Block, C-38 and C-39, Bandra Kurla Complex, Bandra - East, Mumbai 400 051, Maharashtra, India.

CIN: U67120MH2004PLC147365; **Tel.:** +91 22 6788 1000; **Fax:** +91 22 6788 1010; **Website:** www.iifl.com;

Company Secretary and Compliance Officer: Gajendra Thakur; **Email:** governance@iifl.com

PUBLIC ISSUE BY THE COMPANY OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF RS. 1000 EACH (“SECURED NCDs/DEBENTURES”) AND/OR UNSECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF THE FACE VALUE OF RS. 1000 EACH (“UNSECURED NCDs/DEBENTURES”) FOR AN AMOUNT AGGREGATING UPTO RS. 2,500 MILLION (“BASE ISSUE SIZE”) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UPTO RS. 17,500 MILLION AGGREGATING UPTO RS. 20,000 MILLION (“TRANCHE I ISSUE”) WHICH IS WITHIN THE SHELF LIMIT OF RS. 50,000 MILLION AND IS BEING OFFERED BY WAY OF THIS TRANCHE I PROSPECTUS DATED JANUARY 11, 2019 CONTAINING, INTERALIA, THE TERMS AND CONDITIONS OF THE TRANCHE I ISSUE (“TRANCHE I PROSPECTUS”) WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED JANUARY 11, 2019 (“SHELF PROSPECTUS”) FILED WITH THE REGISTRAR OF COMPANIES, MAHARASHTRA, MUMBAI, STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA. THE SHELF PROSPECTUS AND THIS TRANCHE I PROSPECTUS CONSTITUTE THE PROSPECTUS (“PROSPECTUS”).

THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATION, 2008, AS AMENDED FROM TIME TO TIME (THE “SEBI DEBT REGULATION”) AND COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED TO THE EXTENT NOTIFIED.

OUR PROMOTER

Our Promoter is IIFL Holdings Limited. For details of our Promoter, please refer to the section “Our Promoter” in Page 144 of the Shelf Prospectus

GENERAL RISKS

Investors are advised to read the Shelf Prospectus, and this Tranche I Prospectus carefully before taking an investment decision in this Issue. For taking an investment decision the investor must rely on his own examination of the Issuer and the Issue including the risks involved. Specific attention of the Investor is invited to “Risk Factors” on page 18 of the Shelf Prospectus and “Material Developments” on page 175 of the Shelf Prospectus before making an investment in this Tranche I Issue. 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”), any registrar of companies or any stock exchange in India, nor do they guarantee the accuracy or adequacy of this document.

ISSUER ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Tranche I Prospectus read together with the Shelf Prospectus does contain and will contain all information with regards to the Issuer and this Tranche I issue, which is material in the context of this Tranche I Issue. The information contained in this Tranche I Prospectus read together with the 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, 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 details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount & Eligible Investors of the NCDs, please refer to the section titled “Issue Structure” on page 43 of this Tranche I Prospectus.

CREDIT RATING

The NCDs proposed to be issued under this Issue have been rated BWR AA+/Stable (pronounced as BWR Double A Plus with Stable outlook) for an amount of Rs.50,000 million by Brickworks Ratings India Private Limited vide their rating letter dated October 31, 2018 which was further revalidated by their revalidation letter dated January 9, 2019, CRISIL AA/Stable (pronounced as CRISIL Double A rating with Stable outlook) for an amount of Rs.50,000 million by CRISIL Ratings Limited vide their rating letter dated November 2, 2018 which was further revalidated by their revalidation letter dated January 9, 2019 and [ICRA] AA (Stable) (pronounced as ICRA Double A) for an amount of Rs.50,000 million by ICRA Limited vide their rating letter dated November 1, 2018 which was further revalidated by their revalidation letter dated January 9, 2019. 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, B and C 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 Limited (“NSE”). Our Company has received an ‘in-principle’ approval from BSE vide its letter no. DCS/BM/PI-BOND/17/18-19 dated December 4, 2018 and NSE vide its letter no. NSE/LIST/68203 dated December 4, 2018. BSE shall be the designated stock exchange for this Issue.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated November 23, 2018 was filed with the Designated Stock Exchange, pursuant to the provisions of the SEBI Debt Regulations and was open for public comments for a period of seven Working Days from the date of filing of the Draft Shelf Prospectus with the Designated Stock Exchange.

LEAD MANAGERS TO THE ISSUE

<p>Edelweiss Financial Services Limited Edelweiss House, Off CST Road Kalina, Mumbai – 400 098 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: Lokesh Singh / Mandeep Singh Compliance Officer: B. Renganathan SEBI Registration No.: INM0000010650</p>	<p>IIFL Holdings Limited* 10th Floor, IIFL Centre, Kamala Centre, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400 013 Telephone - +91 22 4646 4600 Fax - +91 22 2493 1073 Email: iifl.ncd2018@iiflcap.com Investor Grievance Email: ig.ib@iiflcap.com Website: www.iiflcap.com Contact Person: Sachin Kapoor / Nishita Mody Compliance Officer: Sourav Roy SEBI Registration no.: INM000010940</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 E-mail: iifl.ncd@icicisecurities.com Investor Grievance Email: customerservice@icicisecurities.com Website: www.icicisecurities.com Contact Person: Rupesh Khant/ Suyash Jain Compliance Officer: Sonali Chandak SEBI Registration No: INM000011179</p>	<p>Trust Investment Advisors Private Limited 109/110, Balarama, BKC, Bandra (E), Mumbai – 400 051 Tel.: +91-22 4084 5000 Fax: +91-22 4084 5007 Email: mbd.trust@trustgroup.in Investor Grievance Email: customerservice@trustgroup.in Website: www.trustgroup.in Contact Person: Vikram Thirani Compliance Officer: Ankur Jain SEBI Registration No: INM000011120</p>
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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: iifl.ncd2018@linkintime.co.in
Investor Grievance Email: iifl.ncd2018@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No: INR000004058

DEBENTURE TRUSTEE TO THE ISSUE

Catalyst Trusteeship Limited**
GDA House, Plot No. 85,
Bhusari Colony (Right), Kothrud, Pune – 411 038
Tel: 022 4922 0539
Fax: 022 – 4922 0505
Email: ComplianceCTL-Mumbai@ctltrustee.com
Investor Grievance Email: grievance@ctltrustee.com
Website: www.catalysttrustee.com
Contact Person: Umesh Salvi
SEBI Registration No: IND0000000034

ISSUE PROGRAMME***

TRANCHE I ISSUE OPENS ON: JANUARY 22, 2019

TRANCHE I ISSUE CLOSES ON: FEBRUARY 20, 2019

* IIFL Holdings 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 Holdings Limited would be involved only in marketing of the Issue.

**Catalyst Trusteeship Limited under regulation 4(4) of SEBI Debt Regulations has by its letter dated October 31, 2018 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue.

***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 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 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 Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 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 45 of the Shelf Prospectus.

A copy of the Shelf Prospectus and Tranche I Prospectus has been filed with the Registrar of Companies, Mumbai in terms of Section 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 97 of this Tranche I Prospectus.

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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”	India Infoline Finance Limited, a public limited company incorporated under the Companies Act, 1956, registered as an NBFC with the RBI under Section 45-IA of the RBI Act and having its Registered Office at 12A-10, 13 th Floor, Parinee Crescenzo, C-38 & 39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra, India.
“we” or “us” or “our”	Unless the context otherwise requires, India Infoline Finance Limited including its Subsidiaries.
Subsidiaries	Subsidiaries of our Company namely, IIFL Home Finance Limited (erstwhile India Infoline Housing Finance Limited), Samasta Microfinance Limited and Clara Developers Private 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 as statutorily required by the RBI guidelines.
Audit Committee	Audit committee of the Board of Directors as statutorily required by the Companies Act.
“Auditors” or “Statutory Auditors”	The statutory auditors of the Company, Deloitte Haskins & Sells LLP.
“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.
Credit Committee	Credit Committee as constituted by the Board of Directors
Directors	Directors of the Company
Equity Shares	Equity shares of the Company of face value of Rs.10 each
ESOP/s	Employee Stock Options
Finance Committee	Finance committee as constituted by the Board of Directors
“Holding Company” or “our Holding Company”	IIFL Holdings Limited
IIFL ESOP Plan	India Infoline Finance Limited Employee Stock Option Plan 2015
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;*
- iii. the whole-time director;*
- iv. the chief financial officer; and*

	<i>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”</i>
Limited Review Financial Statement	The standalone and consolidated unaudited limited review financial information of the Company for the half-year ended September 30, 2018, along with the Statutory Auditors reports thereon.
Loan Book	Loan book of the Company recording relevant entries of the secured and unsecured loans advanced by the Company
“Memorandum” or “Memorandum of Association” or “MoA”	Memorandum of Association of our Company
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board of Directors as statutorily required by the Companies Act
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 IIFL Holdings Limited
Reformatted Summary Consolidated Financial Statements	The statement of reformatted summary consolidated statement of assets and liabilities of the Company and its Subsidiaries as at March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 and the reformatted summary consolidated statement of profit and loss and the reformatted summary consolidated cash flow for each of the financial years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 including the notes thereto as examined by our Company’s Statutory Auditor namely M/s. Deloitte Haskins & Sells LLP. The audited consolidated financial statements of the Company as at and for the years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 form the basis for such Reformatted Summary Consolidated Financial Statements.
Reformatted Summary Financial Statements	The Reformatted Summary Standalone Financial Statements and Reformatted Summary Consolidated Financial Statements
Reformatted Summary Standalone Financial Statements	The statement of reformatted summary standalone assets and liabilities of the Company as at March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 and the reformatted summary standalone statement of profit and loss and reformatted summary standalone cash flow for the financial years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 and the summary of significant accounting policies including notes thereto as examined by our Company’s Statutory Auditor namely M/s. Deloitte Haskins & Sells LLP. The audited standalone financial statements of our Company as at and for the years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 form the basis for such Reformatted Summary Standalone Financial Statements.
Registered Office	The registered office of our 12A-10, 13 th Floor, Parinee Crescenzo, C-38 & 39, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
Risk Management Committee	Risk management committee of the Board of Directors as required by the RBI.
RoC/Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai
SML	Samasta Microfinance Limited
Stakeholders Relationship Committee	Stakeholders Relationship Committee as constituted by the Board of Directors

Issue Related Terms

Term	Description
Abridged Prospectus	A memorandum containing salient features of the Shelf Prospectus and the this Tranche 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 NCDs allotted to the Allottees in accordance with the Basis of Allotment
“Allotment”, “Allot” or Allotted	Unless the context otherwise requires, the allotment of NCDs to the successful Applicants pursuant to the Issue
Allottee(s)	A successful Applicant to whom the NCDs will be/have been allotted
“Applicant” or “Investor”	Any person who applies for issuance of NCDs pursuant to the terms of the Draft Shelf Prospectus, read with the Shelf Prospectus, this Tranche I Prospectus and Abridged Prospectus and the Application Form for this Tranche Issue
“Application” or “ASBA Application”	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account which will be considered as the application for Allotment in terms of the Draft Shelf Prospectus read with the Shelf Prospectus, and this Tranche I Prospectus.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for this Tranche I Prospectus.
Application Form / ASBA Form	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process and which will be considered as the application for Allotment of NCDs in terms of the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus.
ASBA Account	An account maintained with a SCSB and specified in the Application Form which will be blocked by such SCSB to the extent of the Application Amount mentioned in the Application Form by an ASBA Applicant
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process
Banker(s) to the Issue	Collectively Public Issue Account Bank(s) and Refund Account(s)
Base Issue Size	Rs. 2,500 million
Basis of Allotment	Please refer to the chapter titled “Issue Procedure” on page 65 of this Tranche I Prospectus
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Brickwork/BWR	Brickwork Ratings India Private Limited
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Trading Brokers are available on the website of the Stock Exchanges i.e. www.bseindia.com and www.nseindia.com .
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 Rs.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 Rs. 5,000 million as per the last audited financial statements;

	<ul style="list-style-type: none"> 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; 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)	High net-worth individual investors, resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above Rs. 10,00,000 across all options of NCDs in this Issue
Category IV (Retail Individual Investors)	Retail individual investors, resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including Rs. 10,00,000 across all options of NCDs in this Issue
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
Credit Rating Agencies	Brickwork, CRISIL and ICRA
CRISIL	CRISIL Limited
Debentures / NCDs	A collective reference to Secured NCDs and 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 November 2, 2018 entered into between the Debenture Trustee and the Company wherein the appointment of the Debenture Trustee to the Issue, is agreed as between our Company and the Debenture Trustee
Deemed Date of Allotment	The Deemed Date of Allotment for the NCDs shall be the date on which the Board of Directors or Finance Committee thereof approves the allotment of NCDs or such date as may be determined by the Board of our Company and/or a duly authorized committee thereof and notified to the Stock Exchange. All benefits under the NCDs including payment of interest will accrue to the NCD Holders from the Deemed Date of Allotment. The actual allotment of NCDs may take place on a date other than the Deemed Date of Allotment.
Demographic Details	The demographic details of the Applicants such as their respective addresses, email, PAN, investor status, MICR Code and bank account detail
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 the funds blocked by the SCSBs are transferred from the

	ASBA Accounts to the Public Issue Account and/or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Shelf Prospectus, this Tranche I Prospectus following which the NCDs will be Allotted in the Issue
Designated Intermediaries	Collectively, the Lead Managers, the Members of Syndicate, sub-brokers, agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Application Forms from the Applicants in the Issue
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the ASBA Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the website of the Stock Exchange. (www.bseindia.com and www.nseindia.com, respectively, as updated from time to time)
Designated Stock Exchange	The designated stock exchange for the Issue, being the BSE Limited
Direct Online Application	The Application made using the online interface and online payment facility of the Stock Exchange, as applicable. Please note that the Direct Online Application facility will not be available to the Applicants for this Issue. For further details, please see the section titled, “ <i>Issue Procedure</i> ” on page 65 of this Tranche I Prospectus.
Draft Shelf Prospectus	The draft shelf prospectus dated November 23, 2018 filed with the Designated Stock Exchange 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 refer to the chapter titled “ <i>Issue Procedure</i> ” on page 65 of this Tranche I Prospectus
ICRA	ICRA Limited
IIFL Holdings	IIFL Holdings Limited
Issue	Public Issue by the Company of Secured Redeemable Non-Convertible Debentures Of Face Value Of Rs. 1000 Each (“ Secured NCDs / Debentures ”) and / or unsecured redeemable non-convertible debentures of the face value of Rs. 1000 Each (“ Unsecured NCDs/Debentures ”) for an amount aggregating upto Rs. 2,500 million (“ Base Issue Size ”) with an option to retain oversubscription of upto Rs. 17,500 Million aggregating upto Rs. 20,000 million (“ Tranche I Issue ”) which is within the Shelf Limit of Rs. 50,000 Million.
Issue Agreement	The Issue Agreement dated November 22, 2018 entered between the Company and the Lead Managers
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 Brokers	Edelweiss Securities Limited, Smc Global Securities Limited, Axis Capital Limited, Integrated Enterprises (India) Private Limited, ICICI Securities Limited, JM Financial Services Limited, Karvy Stock Broking Limited, IIFL Securities Limited, RR Equity Brokers Private Limited, Kotak Securities Limited, Trust Securities Services Private Limited, Tipsons Stock Brokers Private Limited and Trust Financial Consultancy Services Private Limited.
Lead Broker Agreement	Lead Brokers Agreement dated January 11, 2019 entered into between the Company, Lead Managers and Lead Brokers to this Tranche I Issue
Lead Managers	Edelweiss Financial Services Limited, IIFL Holdings Limited, ICICI Securities Limited, Trust Investment Advisors Private Limited.
Market Lot	1 (One) NCD
Maturity Amount or Redemption Amount	In respect of NCDs Allotted to a NCD holder, repayment of the face value of the NCDs along with interest that may have accrued as on the Redemption Date
“Maturity Date” or “Redemption Date”	Please see the section titled “ <i>Terms of the Issue</i> ” on page 50 of this Tranche I Prospectus
Members of the Syndicate	Members of Syndicate include Lead Managers, Lead Brokers to the Issue.
Members of the Syndicate Bidding Centers	Members of the Bidding Centres established for acceptance of Application Forms

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 relevant Tranche Prospectus
Public Issue Account Agreement	Agreement dated January 11, 2019 entered amongst our Company, the Registrar, the Public Issue Account Bank, the Refund Bank and the Lead Managers for collection of the Application Amounts from ASBA Accounts and where applicable, refunds of the amounts collected from the Applicants on the terms and conditions thereof.
Public Issue Account Bank	HDFC Bank
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 (as specified under Tranche I Prospectus) 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 or the Finance Committee 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 NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be. In case Record Date falls on a day when Stock Exchanges are having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.
Redemption Date	Shall mean 39 months from Deemed Date of Allotment for Series I and II NCDs, 60 months from Deemed Date of Allotment for Series III and IV NCDs and 120 months from Deemed Date of Allotment for Series V and VI NCDs. In the event of call option being exercised for Series I & II NCDs, the Redemption Date shall fall only after the expiry of 24 months from the Deemed Date of Allotment, for series III and IV the Redemption Date shall fall only after the expiry of 30 months from the Deemed Date of Allotment, for series V & VI NCDs the Redemption Date shall fall only after the expiry of 66 months from the Deemed Date of Allotment or such date for exercising the call option as intimated by our Company. If the Redemption Date/Maturity Date of any Series of the NCDs falls on a day that is not a Working Day, the redemption/maturity proceeds shall be paid on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. For details refer to section titled "Terms and Conditions in connection with the NCDs" on page 50 of this Tranche I Prospectus.
Refund Account	Account opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amount shall be made as specified in the relevant Tranche Prospectus(es)
Refund Bank	HDFC Bank
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 November 22, 2018 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 or Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulation, 1992 and the stock exchanges having nationwide terminals, other than Members of the 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 as defined in the FEMA
"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	Rated, listed, redeemable, non-convertible debentures of a face value of Rs.1000 each and will be secured as per the terms and conditions specified

	under the Draft Shelf Prospectus, read with the Shelf Prospectus and this Tranche I Prospectus.
Security	<p>The principal amount of the Secured NCDs to be issued in terms of the Draft Shelf Prospectus, the Shelf Prospectus and/or this Tranche I Prospectus together with all interest due and payable on the Secured NCDs, thereof shall be secured by way of first pari passu charge in favour of the Debenture Trustee on an identified immovable property and first <i>pari passu</i> charge on receivables of the Company, both present and future, book debts, loans and advances and current assets of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables present and/or future specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the Secured NCDs and interest thereon is maintained at all time until the Maturity Date, more particularly as detailed in the section titled “<i>Issue Structure</i>” on page 43 of this Tranche I Prospectus.</p> <p>No security will be created for the Unsecured NCDs to be issued in terms of this Issue.</p>
“Self-Certified Syndicate Banks” or “SCSBs”	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://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
Shelf Limit	The aggregate limit of the Issue, being Rs.50,000 million to be issued under the Shelf Prospectus through one or more Tranche Issues.
Shelf Prospectus	The Shelf Prospectus dated January 9, 2019 filed by our Company with the SEBI, NSE, BSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations.
Stock Exchange(s)	BSE and NSE
Subordinated Debt	<p>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:</p> <p>Remaining maturity of the instruments and rate of discount:</p> <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% <p>to the extent such discounted value does not exceed fifty per cent of Tier I capital.</p>
Syndicate	Collectively, the Members of the Syndicate, Lead Managers and sub-brokers appointed in relation to the Issue
Syndicate ASBA Application Locations	Application centres at Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat where the members of the Syndicate shall accept ASBA Applications.
Tenor	Please refer to the chapter titled “ <i>Terms of the Issue</i> ” on page 50 of this Tranche I Prospectus.
Trading Members	Intermediaries registered with a Lead Broker or a sub-broker under the SEBI (Stock Brokers and Sub-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 India Infoline Finance Limited (“ Company ” or the “ Issuer ”) of secured redeemable non-convertible debentures of face value of Rs. 1,000 each (“ NCDs ”) for an amount of Rs. 2,500 million (“ Base Issue Size ”) with an option to retain oversubscription up to Rs. 17,500 million Aggregating up

	to 20,000,000 NCDs amounting to Rs. 20,000 million (“ Tranche I Issue Limit ”) (“ Tranche I Issue ”) which is within the shelf limit of Rs. 50,000 million.
Tranche I Issue Closing Date	February 20, 2019
Tranche I Issue Opening Date	January 22, 2019
Tranche I Issue Period	The period between the Tranche I Issue Opening Date and the Tranche I Issue Closing Date inclusive of both days of the Tranche I Prospectus and during which Applicants can submit their Applications as specified in this Tranche I Prospectus
Tranche Prospectus(es)	The relevant Tranche Prospectus containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts, documents for inspection and other terms and conditions in respect of the relevant Tranche Issue
Tranche I Prospectus	The Tranche Prospectus(es) containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts and documents for inspection, in respect of this Tranche I Issue.
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, Public Issue Account Agreement, Lead Broker Agreement 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 97 of this Tranche I Prospectus
Tripartite Agreements	Tripartite Agreement dated December 20, 2007 entered into between our Company, the Registrar to the Issue and NSDL and Tripartite Agreement dated November 28, 2007 entered into between our Company, the Registrar to the Issue and CDSL for offering depository option to the NCD Holders.
Unsecured NCDs	Rated, listed, redeemable, non-convertible debentures of a face value of Rs.1000 each and are not secured by any charge on the assets of IIFL, 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.
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 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
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

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
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
BSE	BSE Limited
CAGR	Compounded annual growth rate over a specified period of time of a given value (the year-over-year growth rate)
CARE	CARE Ratings Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act	The Companies Act, 1956, or the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956
Companies Act, 2013	Companies Act, 2013, to the extent notified by the MCA and in force as of the date of this Tranche I Prospectus and the rules made thereunder
Depositories	CDSL and NSDL
Depositories Act	Depositories Act, 1996
DIN	Director Identification Number
“DP” or “Depository Participant”	Depository Participant as defined under the Depositories Act, 1996
DRR	Debenture Redemption Reserve
EGM	Extraordinary General Meeting
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FEMA Regulations / FEMA20 (R)	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, 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, 2014.
“Financial Year”, “Fiscal” or “FY”	Period of 12 months ended March 31 of that particular year
GAAP	Generally Accepted Accounting Principles
“Government”	Government of India
G-Sec	Government Securities
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
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
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
LLP	Limited Liability Partnership
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
NACH	National Automated Clearing House
NBFC	Non-Banking Financial Company, as defined under Section 45-IA of the RBI Act
NEFT	National Electronic Fund Transfer
NRI	Non-resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited

p.a.	Per annum
PAN	Permanent Account Number
PP MLD	Principal Protected Market Linked Debentures
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
RTGS	Real Time Gross Settlement
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, 2009 or Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as may be applicable and as amended from time to time

Technical and Industry Related Terms

Term/Abbreviation	Description/Full Form
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
NPA	Non-Performing Assets
Tier I Capital	Tier I capital means, owned fund as reduced by investment in shares of other NBFCs 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, 10% of the owned fund and perpetual debt instruments issued by a non-deposit taking NBFC in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year
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 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; and (e) subordinated debt to the extent the aggregate does not exceed Tier-I capital.

Notwithstanding the foregoing:

1. In the chapter titled “Issue Procedure” beginning on page 65 of this Tranche I Prospectus, defined terms have the meaning given to such terms in that section.
2. In the paragraph titled “Disclaimer Clause of NSE” and “Disclaimer Clause of BSE” beginning on page 85 in the chapter “Other Regulatory and Statutory Disclosures” beginning on page 85 defined terms shall have the meaning given to such terms in those paragraphs.

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.

Presentation of Financial Information

Our Company publishes its financial statements in Rupees. Our Company’s financial statements for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 have been prepared under the historical cost convention on accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India (“**IGAAP**”) to comply with the Accounting Standards specified under section 133 of the Companies Act 2013 and the relevant provisions of the Companies Act 2013 along with the guidelines/directions issued by Reserve Bank of India (“**RBI**”) as applicable to NBFC’s.

The Reformatted Summary Standalone Financial Statements and the Reformatted Summary Consolidated Financial Statements are included in the Shelf Prospectus and collectively referred to hereinafter as the “**Reformatted Summary Financial Statements**”. The examination reports on the Reformatted Summary Financial Statement as issued by our Company’s Statutory Auditor, Deloitte Haskins & Sells LLP, are included in the Shelf Prospectus in the section titled “*Financial Statements*” beginning at page 174 of the Shelf Prospectus.

The unaudited standalone financial results of the Company for the half year ended September 30, 2018 submitted by the Company to the Stock Exchange pursuant to the requirements of Regulation 52 of the SEBI LODR Regulations (“**Limited Review Financial Information**”) are included in the Shelf Prospectus in the section titled “*Financial Statements*” beginning at page 174 of the Shelf Prospectus.

Unless stated otherwise, the financial data used in this Tranche I Prospectus is derived from our Company’s audited financial statements as at and for the year ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 prepared in accordance with Indian GAAP, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India, applicable accounting standards prescribed by the Institute of Chartered Accountants of India, Companies Act and other applicable statutory and / or regulatory requirements, as included in the Shelf Prospectus.

Unless stated otherwise, the financial data used in the Shelf Prospectus as at and for the half year ended September 30, 2018 is prepared in accordance with Ind AS, applicable standards and guidance notes specified by the Institute of Chartered Accountants of India, applicable accounting standards prescribed by the Institute of Chartered Accountants of India, Companies Act and other applicable statutory and / or regulatory requirements. Further, the financial data and numbers used in the Shelf Prospectus are under Ind AS and I GAAP, as specifically mentioned in this Shelf Prospectus and is not strictly comparable.

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 this Tranche I 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 this Tranche I Prospectus is reliable, it has not been independently verified. Further, the extent to which the market and industry data presented in this Tranche I Prospectus is meaningful depends on the readers’ familiarity with and understanding of methodologies used in compiling such data.

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 Rs. 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. Accordingly, our financial statements for the half year ending on September 30, 2018 prepared under Ind AS, may not be comparable.

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 ICRA, 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 Rs.) of the USD as for last 5 years are provided below:

Currency	December 31, 2018	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
USD	69.79	65.04	64.84	66.33	62.59	60.09

The exchange rates for the year ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018 mentioned above are obtained from <https://rbi.org.in/scripts/ReferenceRateArchive.aspx> and for the quarter ended December 31, 2018 is obtained from <https://www.fbil.org.in/>.

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

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.

For further discussion of factors that could cause our actual results to differ from our expectations, please refer to the section titled “*Risk Factors*” and sections titled “*Industry Overview*”, “*Outstanding Litigations and Defaults*” and “*Our Business*” beginning on pages 18, 85, 199 and 99 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. For further discussion of the factors that could affect our Company’s future financial performance or could cause our actual results to differ from our expectations, see the section titled “*Risk Factors*” beginning on page no. 18 and sections titled “*Industry Overview*” and “*Our Business*” beginning on pages 85 and 99 respectively of the Shelf Prospectus. Our Company and Lead Managers will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchange(s).

SECTION II - INTRODUCTION

GENERAL INFORMATION

Our Company was originally incorporated on July 7, 2004 as a private limited company under the provisions of the Companies Act, 1956, bearing CIN U67120MH2004PTC147365 as India Infoline Investment Services Private Limited. Pursuant to a fresh Certificate of Incorporation granted to our Company dated July 10, 2007 by the RoC, Maharashtra, Mumbai bearing CIN U67120MH2004PLC147365, our Company was converted to a public limited company and the name of our company was changed to India Infoline Investment Services Limited. The name of the Company was further changed to India Infoline Finance Limited pursuant to fresh Certificate of Incorporation dated November 18, 2011 issued by the RoC, Maharashtra, Mumbai.

For details of the business of our Company, see “*Our Business*” beginning on page 99 of the Shelf Prospectus.

NBFC Registration

Our Company holds a certificate of registration dated May 12, 2005 bearing registration no. B-13.01792 issued by the RBI to carry on the activities of a NBFC under Section 45 IA of the RBI Act.

Registration No.: B-13.01792
CIN: U67120MH2004PLC147365
LEI: 335800ISNC5UK9DYDI71

Permanent Account Number:
AABCI2915C

Registered Office:

India Infoline Finance Limited

12A-10, 13th floor, Parinee Crescenzo,
G Block, C-38 and C-39, Bandra Kurla Complex,
Bandra – East, Mumbai- 400051.

Tel.: +91 22 6788 1000

Fax: +91 22 6788 1010

Website: www.iifl.com

Email: governance@iifl.com

For further details regarding changes to our Registered Office, see “*History and Main Objects*” beginning on page 99 of the Shelf Prospectus.

Registrar of Companies, Maharashtra, Mumbai.

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

Chief Financial Officer:

Prabodh Agrawal

12A-10, 13th floor, Parinee Crescenzo,
G Block, C-38 and C-39, Bandra Kurla Complex,
Bandra – East, Mumbai - 400051

Tel.: +91 22 6788 1000

Fax: +91 22 6788 1010

Email: prabodh@iifl.com

Company Secretary and Compliance Officer:**Gajendra Thakur**

12A-10, 13th floor, Parinee Crescenzo,
G Block, C-38 and C-39, Bandra Kurla Complex,
Bandra – East, Mumbai- 400051

Tel.: +91 22 6788 1000

Fax: +91 22 6788 1010

Email: governance@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, transfers, etc. as the case maybe.

All grievances relating to this 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 NCDs applied for, amount paid on Application, Depository Participant and the Bidding Centre of the relevant members of the Lead Managers, brokers and sub-brokers appointed in relation to the Issue (“**Syndicate**”) where the Application was submitted.

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 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 ASBA Applicant.

All grievances arising out of Applications for the 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

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: Lokesh Singhi / Mandeep Singh

Compliance Officer: B. Renganathan

SEBI Registration No.: INM0000010650

CIN: L99999MH1995PLC094641

IIFL Holdings Limited*

10th Floor, IIFL Centre,
Kamala Centre, Senapati Bapat Marg,
Lower Parel (West), Mumbai – 400 013

Tel:+91 22 4646 4600

Fax: +91 22 2493 1073

Email: iifl.ncd2018@iiflcap.com

Investor Grievance Email: ig.ib@iiflcap.com

Website: www.iiflcap.com

Contact Person: Sachin Kapoor / Nishita Mody

Compliance Office: Sourav Roy

SEBI Registration no.: INM000010940

CIN: L74999MH1995PLC093797

**IIFL Holdings Limited is 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 Holdings Limited would be involved only in marketing of the Issue.*

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg,

Churchgate, Mumbai 400 020

Tel: +91 22 2288 2460

Fax: +91 22 2282 6580

E-mail: iiifl.ncd@icicisecurities.com

Investor Grievance Email: customercare@icicisecurities.com

Website: www.icicisecurities.com

Contact Person: Rupesh Khant / Suyash Jain

Compliance Officer: Sonali Chandak

SEBI Registration No: INM000011179

CIN: L67120MH1995PLC086241

Trust Investment Advisors Private Limited

109/110, Balarama, BKC, Bandra (E), Mumbai – 400 051

Tel.: +91-2240845000

Fax: +91-2240845007

Email: mbd.trust@trustgroup.in

Investor Grievance Email: customercare@trustgroup.in

Website: www.trustgroup.in

Contact Person: Vikram Thirani

Compliance Officer: Ankur Jain

SEBI Registration No: INM000011120

CIN: U67190MH2006PTC162464

Debenture Trustee:**Catalyst Trusteeship Limited (Formerly GDA Trusteeship Limited)**

‘GDA House’ Plot No. 85, Bhusari Colony (Right), Kothrud, Pune - 411038

Tel: 022 - 49220539

Fax: 022 - 49220505

Email: ComplianceCTL-Mumbai@ctltrustee.com

Investor Grievance Email: grievance@ctltrustee.com

Website: www.catalysttrustee.com

Contact Person: Umesh Salvi

SEBI Registration No: IND0000000034

CIN: U74999PN1997PLC110262

Catalyst Trusteeship Limited has, pursuant to regulation 4(4) of SEBI Debt Regulations, by its letter dated October 31, 2018 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 D* to this Tranche I Prospectus.

All the rights and remedies of the Debenture Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the Debenture Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this 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 43 of this Tranche I Prospectus.

For details on the terms of the Debenture Trust Deed see, “*Issue Related Information*” beginning on page 43 of this Tranche I Prospectus.

Lead Brokers to the Issue

JM Financial Services Limited Address: 2, 3 & 4 Kamanwala Chambers, Ground Floor, Sir PM Road, Fort, Mumbai, 400001 Contact Person: Mr. Surajit Misra/ Mr. Deepak Vaidya/T N Kumar Email: Surajit.misra@jmfl.com/deepak.vaidya @jmfl.com/tn.kumar@jmfl.com Telephone No.- 022-61363400 SEBI Registration No.- INZ000195834	Karvy Stock Broking Limited Address: "Karvy House", 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad – 500032 Contact Person- P.B. Ramapriyan Email: ksblldist@karvy.com Telephone: 040-23312454 SEBI Registration No.- INB230770138 (NSE) & INB010770130 (BSE)	Kotak Securities Limited Address: 4th Floor, 12BKC, G Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400051. Contact Person: Umesh Gupta Email: umesh.gupta@kotak.com Telephone: 022-67485470 SEBI Registration No.- INZ000200137
Trust Securities Services Private Limited Address: 1101, Naman Centre, "G" Block, C-31, Bandra Kurla Complex, Bandra (East), Mumbai,400051 Contact Person- Ms. Avani Dalal Email- avani.dalal@trustgroup.in Compliance officer: Mr. Sanyog Murdia Telephone- +91 22 4084 5000 SEBI Registration No.- BSE-INZ000158031	Trust Financial Consultancy Services Private Limited Address: 1101, Naman Centre, "G" Block, C-31, Bandra Kurla Complex, Bandra (East), Mumbai,400051 Contact Person: Pranav Inamdar Email: pranav.inamdar@trustgroup.in Compliance officer: Mr. Rajesh Nag Telephone: +91 22 4084 5000 Investor Grievance Email- grievances@trustgroup.in SEBI Registration No.- NSE- INB231198731 & BSE- INB011198737	Axis Capital Limited Address: Axis House, Level 1, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai – 400025, India Contact Person: Ajay Sheth / Vinayak Ketkar Email: Ajay.sheth@axiscap.in / Vinayak.ketkar@axiscap.in Telephone- +91 22 4325 3110 SEBI Registration No.- INM000012029
RR Equity Brokers Private Limited Address: 412-422, Indraprakash Building 21, Barakhamba Road, New Delhi-110001 Contact Person- Mr. Jeetesh Kumar Email: ipo@rrfcl.com Telephone: +91-11- 23354802 SEBI Registration No.- INB231219636 (NSE) & INB011219632 (BSE)	Integrated Enterprises (India) Private Limited Address: A-123, 12th Floor, Mittal Tower, Nariman Point, Mumbai – 400021 Contact Person: Mr V. Krishnan, Whole Time Director Email: krishnan@integratedindia.in Telephone: 022-40661800 SEBI Registration No.- INZ000095737	IIFL Securities Limited Address- 6 th and 7 th Floor, Ackruti Centre Point, Central Road, MIDC, Andheri(E) Mumbai 400093 Contact Person: Mr. Prasad Umarale Telephone: +91 22 3929 4000/4103 5000 SEBI Registration No.- INZ000164132
SMC Global Securities Limited Address: 17, Netaji Subhash Marg, Opp Golcha Cinema, Daryaganj, Delhi, 10002 Contact Person: Mr. Mahesh Gupta, Mr. Neeraj Khanna Email: mkg@smcindiaonline.com, neerajkhanna@smcindiaonline.com Telephone: +91 9818620470, 9810059041 SEBI Registration No.- INZ000199438 (New number) & INB23/07714-31(Old Number)	ICICI Securities Limited Address: ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020 Contact Person: Mr. Rupesh Khant/ Mr. Suyash Jain Compliance officer: Ms. Sonali Chandak Telephone: +91 22 2288 2460 Investor Grievance Email: customer@icicisecurities.com SEBI Registration No.- INM000011179	Tipsons Stock Brokers Private Limited Address: Sheraton House, 5th Floor, Opposite Ketav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad, Gujarat, 380015 Contact Person: Suman Bhagdev Email: suman.bhagdev@tipsons.com Telephone: 079-6682 8000/ 8064/ 8029/ 8120 SEBI Registration No.- NSE: INB 231428039 BSE: INB 011428035

Edelweiss Securities Limited
Address: 2nd Floor, MB Towers, Plot
No. 5, Road No. 2, Banjara Hills,
Hyderabad – 500 034,
Telangana, India
Contact Person: Mr. Prakash Boricha,
Mr. Amit Dalvi
Email: Prakash.boricha@
edelweissfin.com,
Amit.dalvi@edelweissfin.com
Telephone: +91 22 6747 1342/ 1343
Investor Grievance Email:
helpdesk@edelweiss.in
SEBI Registration No.:
INZ000166136

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: iifl.ncd2018@linkintime.co.in
Investor Grievance Email: iifl.ncd2018@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 October 31, 2018, given its consent for its appointment as Registrar to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Statutory Auditors

M/s. Deloitte Haskins & Sells LLP
Indiabulls Finance Centre,
Tower 3, 27th-32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai – 400 013.
Tel.: +91 22 61854000
Fax: +91 22 61854101
Membership No:105035
Firm Registration No:117366W/W-100018

M/s. Deloitte Haskins & Sells LLP has been the statutory auditors of our Company since July 22, 2017.

Credit Rating Agency

CRISIL Limited
CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400 076
Tel: +91-22-3342 3000
Fax: +91-22-3342 3050
Email: crisilratingdesk@crisil.com
Website: www.crisil.com

Contact Person: Krishnan Sitaraman
SEBI Registration No: IN/CRA/001/1999
CIN: L67120MH1987PLC042363

Brickwork Ratings India Private Limited

3rd Floor, Raj Alkaa Park, 29/3 & 32/2 Kalena Agahara, Banerghatta Road, Bengaluru - 560076

Tel: +91 8040409940

Fax: +91 8040409941

Email: info@brickworkratings.com

Website: www.brickworkratings.com

Contact Person: K.N. Suvarna

SEBI Registration No: IN/CRA/005/2008

CIN: U67190KA2007PTC043591

ICRA Limited

Electric Mansion, 3rd Floor, Appasaheb Marathe Marg,

Prabhadevi, Mumbai – 400025

Tel: +91-22-61143406

Fax: +91-22-24331390

Email: shivakumar@icraindia.com

Website: www.icra.com

Contact Person: L. Shivakumar

SEBI Registration: IN/CRA/008/2015

CIN: L74999DL1991PLC042749

Credit Rating and Rationale

The NCDs proposed to be issued under this Issue have been rated BWR AA+/Stable (pronounced as BWR Double A Plus with Stable outlook) for an amount of Rs.50,000 million by Brickworks Ratings India Private Limited vide their rating letter dated October 31, 2018 which was further revalidated by their revalidation letter dated January 9, 2019, CRISIL AA/Stable (pronounced as CRISIL Double A rating with Stable outlook) for an amount of Rs.50,000 million by CRISIL Ratings Limited vide their rating letter dated November 2, 2018 which was further revalidated by their revalidation letter dated January 9, 2019 and [ICRA] AA (Stable) (pronounced as ICRA Double A) for an amount of Rs.50,000 million by ICRA Limited vide their rating letter dated November 1, 2018 which was further revalidated by their revalidation letter dated January 9, 2019. 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, B and C* of this Tranche I Prospectus for the rationale of the above ratings

Disclaimer clause of Brickwork Rating India Private Limited

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented “as is” without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons.

Disclaimer clause of CRISIL Limited

CRISIL Limited (CRISIL) has taken due care and caution in preparing the material based on the information provided by its client and / or obtained by CRISIL from sources which it considers reliable (Information). A CRISIL rating reflects CRISIL's 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. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL 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 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 providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. India Infoline Finance Limited 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 CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

Disclaimer clause of ICRA Limited

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.

Legal Counsel to the Issue

IC Universal Legal

Advocates & Solicitors

209, Hubtown Solaris

Prof. N.S. Phadke Marg, Andheri (E)

Mumbai 400 069

Tel: +91 (22) 6184 9900

Email: info@icul.in

Website: www.icul.in

Public Issue Account Banks

HDFC Bank

ALFA Building, FIG-OPS Department-
Lodha, I Think Techno Campus O-3 Level,

Next to Kanjurmarg Railway Station,

Kanjurmarg (East), Mumbai 400042

Tel: 022-30752928/29/2914

Fax: 022-25799801

Email: Siddharth.jadhav@hdfcbank.com

Vincent.dsouza@hdfcbank.com

Prasanna.uchil@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Siddharth Jadhav,

Vincent Dsouza,

Prasanna Uchil

CIN: L65920MH1994PLC080618

Refund Bank

HDFC Bank

ALFA Building, FIG-OPS Department-
Lodha, I Think Techno Campus O-3 Level,
Next to Kanjurmarg Railway Station,
Kanjurmarg (East), Mumbai 400042
Tel: 022-30752928/29/2914

Fax: 022-25799801

Email: Siddharth.jadhav@hdfcbank.com
Vincent.dsouza@hdfcbank.com
Prasanna.uchil@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Siddharth Jadhav,
Vincent Dsouza,
Prasanna Uchil

CIN: L65920MH1994PLC080618

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.”

Underwriting

The Issue is not underwritten.

Arrangers to the Issue

There are no arrangers to the Issue.

Minimum Subscription

Under the SEBI Debt Regulations, our Company may stipulate a minimum subscription amount which it seeks to raise. The SEBI has by its circular, CIR/IMD/DF/12/2014 dated June 17, 2014 prescribed the minimum subscription for debt securities as 75% of the base issue (i.e. INR 1,875 million). If our Company does not receive the minimum subscription of 75% of the Base Issue, prior to the Tranche I Issue Closing Date, the entire subscription amount shall be refunded to the Applicants within six days from the date of closure of the Issue 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 the Company will become liable to refund the Application Amount along with interest at the rate 15% 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 process is provided on the website of SEBI at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=34> as updated

from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms 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>.

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 Application Forms 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.

Utilisation of Issue proceeds

For details on utilisation of Issue proceeds see, “*General Terms of the Issue*” beginning on page 50 of the Tranche I Prospectus.

Issue Programme

TRANCHE I ISSUE OPENS ON	January 22, 2019
TRANCHE I ISSUE CLOSES ON	February 20, 2019

This Tranche I Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. (*Indian Standard Time*), during the Issue Period, except that this 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 such an early closure of or extension of this Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or initial date of closure.

Applications Forms for this Issue will be accepted only from 10:00 a.m. to 5:00 p.m. (*Indian Standard Time*) or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday) (a) by the Designated Intermediaries at the Collection Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. On the Tranche I Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. and uploaded until 5:00 p.m. (*Indian Standard Time*) or such extended time as may be permitted by the Stock Exchanges.

Due to limitation of time available for uploading the Applications on the Tranche I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche I Issue Closing Date and, no later than 3.00 p.m. (*Indian Standard Time*) on the Tranche I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Neither our Company, nor the Members of the Syndicate are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that within each

category of investors the Basis of Allotment under the Issue will be on date priority basis. However, on the day of oversubscription, if any, the allotments would be made to the applicants on proportionate basis.

OBJECTS OF THE TRANCHE I ISSUE

Our Company is in the business of financing, and as part of our business operations, we raise/avail funds for onward lending and for repayment of existing loans.

Our Company proposes to utilise the funds which are being raised through the Tranche I Issue, after deducting the Tranche I Issue related expenses to the extent payable by our Company (“**Net Proceeds**”), towards funding the following objects (collectively, referred to herein as the “**Objects**”):

1. For the purpose of onward lending and for repayment of interest and principal of existing loans; and
2. General Corporate Purposes.

The Main Objects clause of the Memorandum of Association of our Company permits our Company to undertake the activities for which the funds are being raised through the present Tranche I Issue and also the activities which our Company has been carrying on till date.

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

Particulars	Estimated amount (Rs. in million)
Gross proceeds of the Issue*	20,000.00
Less: Issue related expenses**	532.50
Net proceeds	19,467.50

**Assuming this Tranche I Issue is fully subscribed and our Company retains oversubscription up to the Tranche I Issue Limit.*

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

Requirement of funds and Utilization of Net Proceeds

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

S. No.	Objects of this 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 the 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 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.

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 this Tranche I Issue. Our Company will disclose in our Company's financial statements for the relevant financial year commencing Fiscal 2019, the utilisation of the proceeds of this Tranche I Issue under a separate head along with details, if any, in relation to all such proceeds of this Tranche I Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of this Tranche I Issue. Our Company shall utilize the proceeds of this Tranche I Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchanges.

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 Tranche I 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.

Variation in terms of contract or objects in Draft Shelf Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act 2013, at any time, vary the terms of a contract referred to in the Shelf Prospectus or objects for which this Tranche I Prospectus is issued, except subject to the approval of, or except subject to an authority given by the shareholders in general meeting by way of special resolution and after abiding by all the formalities prescribed in Section 27 of the Companies Act, 2013.

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

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

Tranche I Issue Related Expenses Break-up

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

Particulars	Amount (Rs. In Million)	As percentage of the Issue Proceeds (in %)	As percentage of total expenses of the Tranche I Issue (in %)
Lead Managers Fee, Credit Rating Fees, Selling and Brokerage Commission, SCSB Processing Fee	450.00	2.25%	84.51%
Registrar to the Issue and Debenture Trustee to the Issue	2.50	0.01%	0.47%
Advertising, Marketing, Printing and Stationery Cost	45.00	0.23%	8.45%
Professional Fees	5.00	0.03%	0.94%
Other Miscellaneous Expenses	30.00	0.15%	5.63%
Grand Total	532.50	2.66%	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/Sub- Brokers / Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of Rs. 10 per Application Form procured (plus service tax 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.

Other Confirmations

- a. All monies received pursuant to the issue of 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;
- c. Details of all unutilised monies out of issue of 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 unutilized monies have been invested;
- d. We shall utilize the Tranche I Issue proceeds only upon execution of the Debenture Trust Deed, on receipt of the minimum subscription and receipt of listing and trading approval from Stock Exchange;
- 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.
- g. In accordance with the SEBI Debt Regulations, our Company will not utilize the proceeds of the Tranche I Issue for providing loans to or for acquisitions of shares of any person who is a part of the same group as our Company or who is under the same management of our Company.
- h. The Tranche I Issue Proceeds from NCDs allotted to Banks will not be utilized for any purpose which may be in contravention of the RBI guidelines on bank financing to NBFCs including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI Regulations.
- i. No part of the proceeds from this Tranche I Issue will be paid by us as consideration to our Promoter, our Directors, Key Managerial Personnel, or companies promoted by our Promoter, except payments to be made by way of fees and commission to various Edelweiss Group companies that participate in the Tranche I Issue as SEBI registered intermediaries.
- j. Our Company confirms that it will not use the proceeds of 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, directly or indirectly in the acquisition of any immovable property or acquisition of securities of any other body corporate.
- k. The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

MATERIAL DEVELOPMENTS

The following material developments have taken place in the Company since September 30, 2018 till the date of filing this Tranche I Prospectus:

1. Issuance of secured redeemable non-convertible debentures aggregating to Rs.1,750 million, on private placement basis, for a tenor of 375 days having coupon of 9.5% per annum, pursuant to resolution passed by the Finance Committee of the Company on its meeting dated December 20, 2018.
2. Issuance of secured redeemable non-convertible debentures aggregating to Rs.3,000 million, on private placement basis, for a tenor of 762 days having a coupon of 9.5% per annum, pursuant to resolution passed by the Finance Committee of the Company held on October 4, 2018.
3. Shubhalakshmi Panse resigned as Independent Director of the Company with effect from October 31, 2018.
4. 18,860 equity shares of Rs. 10/- each were allotted to certain employees of the Company/ Subsidiary Companies/ Promoter, who have exercised their options granted by the Company under the IIFL ESOP 2015.
5. The following shareholders of our Company have transferred their Equity Shares to IIFL Holdings Limited on October 25, 2018.

S.No.	Name of Transferor	Name of Transferee	No. of equity shares
1	Nirmal Jain (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	4950
2	Venkataraman Rajamani (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	5000
3	Mohan Radhakrishnan (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	20
4	Prabodh Agrawal (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	10
5	Narendra Jain (in capacity of nominee of IIFL Holdings Limited)	IIFL Holdings Limited	10

6. Transfer of Shares to IIFL Holdings Limited dated November 15, 2018

S.No.	Name of Transferor	Name of Transferee	No. of equity shares of Rs. 10/- Each
1	Karan Arora	IIFL Holdings Limited	2430
2	Baskar S	IIFL Holdings Limited	3190
3	G L Kumar	IIFL Holdings Limited	7970

7. 29,15,700 stock options were granted to identified employees pursuant to the resolution passed by the NRC dated November 21, 2018.

To the best of the knowledge and in the opinion of the Board of Directors, save and except mentioned hereinabove,

- (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 Issue.

STATEMENT OF TAX BENEFITS

Date: November 13, 2018

To,
The Board of Directors
India Infoline Finance Limited
12A-10, 13th Floor, Parinee Crescenzo
C-38 and C-39, Bandra Kurla Complex
Bandra - East
Mumbai 400051,
Maharashtra, India.

Dear Sirs,

Sub: Statement of tax benefits in relation to proposed public issue of secured, redeemable, non-convertible debentures and unsecured, redeemable, non-convertible debentures ("NCDs") by India Infoline Finance Limited ("Company") with a shelf limit of up to 50,000 million ("Issue")

We report that the enclosed statement materially covers all the possible tax benefits available to India Infoline Finance Limited ("the Company") and to the debenture holders of the Company under the Income Tax Act, 1961, as amended by Finance Act, 2018. Several of these benefits are dependent on the Debenture Holder(s) fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Debenture Holder(s) to derive the tax benefits is dependent upon fulfilling such conditions, which are based on business imperatives the Debenture Holder(s) would face in the future. The Debenture Holder(s) may or may not choose to fulfill such conditions.

The benefits discussed in the Annexure 1 are not exhaustive. This statement is only intended 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 the tax consequences and the changing tax laws, each Debenture Holder is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue. Neither are we suggesting nor are we advising the Debenture Holders to invest money based on this statement.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

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

- The Company or its debenture holders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits, where applicable have been or would be met with;
- The revenue authorities/courts will concur with views expressed herein.

The preparation of the contents stated is the responsibility of Company's management. We accept no responsibility to debenture holders or any third party and this should be stated in the Draft Shelf Prospectus, the Shelf Prospectus and/or Prospectus and/or Tranche Prospectus(es). The contents of the enclosed annexure 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.

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 their interpretations which could vary from others, and which are subject to change from time to time. We do not assume any responsibility to update the views consequent to such changes.

This statement has been issued at the request of the Company in connection with the proposed issue of secured, redeemable NCDs for inclusion in the offer documents to be filed with the Securities and Exchange Board of India, the National Stock Exchange of India Limited and the BSE Limited or any other regulatory authorities, as required

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its debenture holders in the Offer Documents for the Issue which the Company intends to file to the BSE Limited, the National Stock Exchange of India Limited, the Securities and Exchange Board of India, the relevant Registrar of

Companies in India and any other regulatory authorities as required under the applicable laws, in connection with the Issue provided that the below statement of limitation is included in the Offer Documents.

For Pritesh Mehta & Co.
Chartered Accountants

Sd/-
Pritesh Mehta
(Proprietor)
Membership no: 049593

Place: Mumbai
Date: November 13, 2018

ANNEXURE 1

Under the existing provisions of law, the following tax benefits, inter-alia, will be available to the Debenture Holder(s). The tax benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the law or enactments thereto. The information given below lists out the possible benefits available to the Debenture Holder(s) of an Indian company in which public are substantially interested as defined in Section 2(18)(b)(B) of the Income Tax Act, 1961, in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the debenture.

The Debenture Holder is advised to consider in its own case, the tax implications in respect of subscription to the Debentures after consulting his tax advisor as alternate views are possible. We are not liable to the Debenture Holder in any manner for placing reliance upon the contents of this statement of tax benefits.

This statement has been prepared solely in connection with the Issue under the Regulations as amended.

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. As per section 112 of the I.T. Act, capital gains arising on the transfer of long term capital assets being listed securities are subject to tax at the rate of 20% of capital gains calculated after reducing indexed cost of acquisition or 10% of capital gains without indexation of the cost of acquisition. The capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition/indexed cost of acquisition of the debentures from the sale consideration

However as per the third proviso to section 48 of I.T. Act, benefit of indexation of cost of acquisition under second proviso of section 48 of I.T. Act, is not available in case of bonds and debenture, except capital indexed bonds. Accordingly, long term capital gains arising to the Debenture Holder(s), would be subject to tax at the rate of 10%, computed without indexation, as the benefit of indexation of cost of acquisition is not available in 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 on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. The provisions relating to maximum amount not chargeable to tax described at para 2 above would also apply to such short term capital gains.
4. 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.
5. Securities Transaction Tax (“STT”) is a tax levied on all transactions in specified securities done on the stock exchanges at rates prescribed by the Central Government from time to time. STT is not applicable on transactions in the debentures.

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 the following:
 - a) Any security issued by a Company in a dematerialised form and is listed on recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.
 - b) In case the payment of interest on debentures to a resident individual or a Hindu Undivided Family ('HUF'), Debenture Holder does not or is not likely to exceed ₹ 5,000 in the aggregate during the Financial Year and the interest is paid by an account payee cheque.
 - c) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture Holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the I.T. Act; and that certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest.
 - d) (i) When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the I.T. Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However under section 197A(1B) of the I.T. Act, "Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax". Further, section 87A provides a rebate of 100 percent of income-tax or an amount of Rs. 2,500 whichever is less to a resident individual whose total income does not exceed Rs. 3,50,000.
 - (ii) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the I.T. Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on total income of the person is NIL.
 - (iii) In all other situations, tax would be deducted at source as per prevailing provisions of the I.T. Act. Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company before the prescribed date of closure of books for payment of debenture interest without any tax withholding.
7. In case where tax has to be deducted at source while paying debenture interest, the Company is not required to deduct surcharge, education cess and secondary and higher education cess.
8. Interest on application money and interest on refund application 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
9. As per Section 74 of the I.T. Act, short-term capital loss on 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 setoff against subsequent year's long-term capital gains.

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 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) 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. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.
 - (c) 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 exempted 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.
 - (d) 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.
 - (e) 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.
2. 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,
 - (a) Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.
 - (b) 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
 - (c) 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.
 3. 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.
 4. As per Section 74 of the I.T. Act, short-term capital loss 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 suffered (other than the long-term capital assets whose gains are exempt under Section 10(38) of the I.T. Act) 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. Interest on application money and interest on refund application 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. 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) and 15% of such tax liability (if net income exceeds Rs. 1,00,00,000) subject to deduction.
 - (b) In the case of foreign companies, surcharge 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) In case of domestic companies, where the income paid or likely to be paid exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000 a surcharge of 7% of such tax liability is payable and when such income paid or likely to be paid exceeds Rs. 10,00,00,000, surcharge at 12% of such tax is payable.
 - (d) Cess is to be applied at 4% on aggregate of base tax and surcharge.
6. 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) 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 information prescribed by the CBDT vide its Notification No. 57/2013 dated 1 August 2013, a self-declaration in Form 10F would need to be provided by the assessee along with TRC
 7. 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 195(2) & 195(3) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest. However, an application for the issuance of such certificate would not be entertained in the absence of PAN as per the provisions of section 206AA.

III Tax benefits available to the Foreign Portfolio Investors ("FPIs")

1. As per Section 2(14) of the I.T. Act, any securities held by FPIs 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 FPIs 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 FPIs 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. Income other than capital gains arising out of debentures is taxable at 20% (plus applicable surcharge and cess) in accordance with and subject to the provisions of Section 115AD of the I.T. Act.
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 FPIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian company between June 1, 2013 and July 1, 2020 provided such rate does not exceed the rate as may be notified by the Government.
5. 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 FPIs.
6. 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 authorised 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. Further, as per the provisions of Section 196 of the I.T. Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the I.T. Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

V Exemption under Sections 54EC and 54F of the I.T. Act

1. Under section 54EC of the I.T. Act, long term capital gains arising to the Debenture Holder(s) on transfer of their debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in certain notified bonds within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified bonds are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the bonds are transferred or converted into money. However, the amount of exemption with respect to the investment made in the aforesaid notified bonds during the financial year in which the debentures are transferred and the subsequent financial year, should not exceed Rs. 50 lakhs. Where the benefit of section 54EC of the I.T. Act has been availed of on investments in the notified bonds, a deduction from the income with reference to such cost shall not be allowed under section 80C of the I.T. Act. However, Union Budget 2018 has discontinued for the above benefit on all asset except Land and Building
2. As per the 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 holder 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 exempted 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.

VI 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 XVIIB (“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).

4. 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 (1) above in such a case.
5. Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (1) above will apply apart from penal consequences. VII Taxability of Gifts received for nil or inadequate consideration

VII 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. 72

VIII 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, applicable w.e.f 1-04-2017. 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 23 September 2013.

NOTES:

1. The statement of tax benefits enumerated above is as per the Income-tax Act, 1961, as amended by the Finance Act, 2018.
2. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.
3. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the nonresident has fiscal domicile.
4. In respect of non-residents, taxes paid in India could be claimed as a credit in accordance with the provisions of the relevant tax treaty.
5. Surcharge is levied on individuals, HUF, association of persons, body of individuals and artificial juridical person at the rate of 10% on tax where total income exceeds Rs. 50 lakh but does not exceed Rs. 1 crore and at the rate of 15% on tax where the total income exceeds Rs. 1 crore.
6. 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.
7. Surcharge is levied on domestic companies at the rate of 7% on tax where the income exceeds Rs 1 crore but does not exceed Rs. 10 crores and at the rate of 12% on tax where the income exceeds Rs. 10 crores.
8. Health and Education Cess is to be applied at 4% on aggregate of base tax and surcharge.
9. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to General Anti Avoidance Rules covered under Chapter X-A of the Act.
10. The above statement sets out the provisions of law in a summary manner only and is not complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debentures/bonds.
11. The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.
12. 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.

SUMMARY OF CERTAIN SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND-AS

The Reformatted Summary Financial Statements included in the Draft Shelf Prospectus have been prepared by the Company from the financial statements prepared in accordance with Indian GAAP, which differs from Indian Accounting Standards (“**Ind AS**”) in certain respects.

The Ministry of Corporate Affairs (“**MCA**”) in its press release dated January 18, 2016 ,issued a roadmap for implementation of Ind AS converged with IFRS for non- banking financial companies, scheduled 50 commercial banks, insurers, and insurance companies, which was subsequently confirmed by RBI through its circular dated February 11,2016. The notification further explains that NBFCs having a net worth of Rs. 50,000 lakh or more as of March 31, 2016 shall comply with Ind AS for accounting periods beginning on or after April 1, 2018, with comparatives for the periods ending on March 31, 2018. Therefore, the Issuer would be subject to this notification.

“*Summary of Significant Differences among Indian GAAP and Ind AS*”, does not present all differences between Indian GAAP and Ind AS which are relevant to the Issuer.

Consequently, there can be no assurance that those are the only differences in the accounting principles that could have a significant impact on the financial information included in this Tranche I Prospectus.

The Issuer has not considered matters of Indian GAAP presentation and disclosures, which also differ from Ind AS. In making any investment decision, investors must rely upon their own examination of the Issuer’s business, the terms of the offerings and the financial information included in this Tranche I Draft Prospectus.

POTENTIAL INVESTORS SHOULD CONSULT WITH THEIR OWN PROFESSIONAL ADVISORS FOR A MORE THOROUGH UNDERSTANDING OF THE DIFFERENCES BETWEEN INDIAN GAAP AND IND AS AND HOW THOSE DIFFERENCES MIGHT AFFECT THE FINANCIAL INFORMATION INCLUDED IN THIS TRANCHE I PROSPECTUS.

THE ISSUER CANNOT ASSURE THAT IT HAS COMPLETED A COMPREHENSIVE ANALYSIS OF THE EFFECT OF IND AS ON FUTURE FINANCIAL INFORMATION OR THAT THE APPLICATION OF IND AS WILL NOT RESULT IN A MATERIALLY ADVERSE EFFECT ON THE ISSUER’S FUTURE FINANCIAL INFORMATION.

Topic	Indian GAAP	Ind AS
Presentation of Financial Statements	<p><u>Other Comprehensive Income:</u> There is no concept of ‘Other Comprehensive Income’ under Indian GAAP.</p>	<p><u>Other Comprehensive Income:</u> Under Ind AS 1 there is a concept of Other Comprehensive Income (“OCI”). Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other Ind AS. Such recognition of income and expenses in OCI is primarily governed by the income recognition norms and classification of financial instruments and assets as “Fair Value through OCI”.</p>
	<p><u>Extraordinary items:</u> Under Indian GAAP, extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period.</p>	<p><u>Extraordinary items:</u> Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited.</p>

Topic	Indian GAAP	Ind AS
	<p>Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.</p> <p><u>Change in Accounting Policies:</u> Indian GAAP requires changes in accounting policies to be presented in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material. If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed.</p>	<p><u>Change in Accounting Policies:</u> Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.</p>
Deferred Taxes	Under Indian GAAP, the Company determines deferred tax to be recognised in the financial statements with reference to the income statement approach i.e. with reference to the timing differences between profit offered for income taxes and profit as per the financial statements.	<p>As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/ liabilities and their respective tax base.</p> <p>Using the balance sheet approach, there could be additional deferred tax charge/income on account of all Ind AS opening balance sheet adjustments.</p>
Property, plant and equipment – reviewing, depreciation and residual value	Under Indian GAAP, the Company currently provides depreciation over the useful lives of the assets estimated by the Management.	<p>Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively.</p> <p>Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost under Ind AS.</p>
Accounting for Employee benefits	Currently, under Indian GAAP the Company recognises all short term and long term employee benefits in the profit and loss account as the services are received. For long term employee benefit, the Company uses actuarial valuation to determine the liability.	<p>Under Ind AS 19, the change in liability is split into changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and remeasurements.</p> <p>Changes due to service cost and net interest cost/ income need to be recognised in the income statement and the changes arising out of re-measurements comprising of actuarial gains and losses representing changes in the present value of the defined benefit obligation resulting from experience adjustment and</p>

Topic	Indian GAAP	Ind AS
		effects of changes in actuarial assumptions are to be recognised directly in OCI and not reclassified to profit and loss in the subsequent period.
Separate Financial Statements	Accounting for investments in subsidiaries is governed by Accounting Standard 13 depending on the classification of the investment as current or long term.	Accounting for investments in subsidiaries is governed by Ind AS 27 which gives an option to account the same at cost or in accordance with Ind AS 109.
Provisions, contingent liabilities and contingent assets	Under Indian GAAP, provisions are recognised only under a legal obligation. Also, discounting of provisions to present value is not permitted.	Under Ind AS, provisions are recognised for legal as well as constructive obligations. Ind AS requires discounting the provisions to present value, if the effect of time value of money is material.
Share based payments	Under Indian GAAP, company has an option to account for share based payments on the basis of intrinsic value or fair value. The company followed the intrinsic value method and gave a proforma disclosure for the fair valuation. The intrinsic value for the company was nil.	Under Ind AS, the share based payments have to be mandatorily accounted basis the fair value and the same has to be recorded in the Statement of Profit and Loss over the vesting period. The fair valuation of the unvested options as on the transition date have to be adjusted against retained earnings.
Presentation and classification of Financial Instruments and subsequent measurement	Currently, under Indian GAAP, the financial assets and financial liabilities are recognised at the transaction value. The Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any diminution other than temporary in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value. Financial liabilities are carried at their transaction values. Disclosures under Indian GAAP are limited. Currently under Indian GAAP, loan processing fees and/or fees of similar nature are recognised upfront in the Statement of Profit and Loss.	Ind AS 109 requires all financial assets and financial liabilities to be recognised on initial recognition at fair value. Financial assets have to be either classified as measured at amortised cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognised entirely in profit or loss, (FVTPL), or recognised in other comprehensive income (FVOCI). Financial assets include equity and debts investments, interest free deposits, loans, trade receivables etc. Assets classified at amortised cost and FVOCI and the related revenue (including processing fees and fees of similar nature) net of related costs have to be measured using the Effective Interest Rate (EIR) method. Loan processing fees and/or fees of similar nature would be measured and recognised using the Effective Interest Rate (EIR) method over the period of loan. There are two measurement categories for financial liabilities – FVTPL and amortised cost. Fair value adjustment on transition shall be adjusted against opening retained earnings on the date of transition. Disclosures under Ind AS are extensive.
Financial Instruments -	Under Indian GAAP, the Company assesses the provision for doubtful debts	The impairment model in Ind AS is based on expected credit losses and it applies equally to

Topic	Indian GAAP	Ind AS
Impairment	at each reporting period, which in practice, is based on relevant information like past experience, financial position of the debtor, cash flows of the debtor, guidelines issued by the regulator etc.	debt instruments measured at amortised cost or FVOCI, financing receivables, lease receivables, trade receivables and certain written loan commitments and financial guarantee contracts.
Financial Instruments - Disclosure	<p>Currently there are no detailed disclosure requirements for financial instruments. However, the ICAI has issued an Announcement in December 2005 requiring the following disclosures to be made in respect of derivative instruments in the financial statements:</p> <ul style="list-style-type: none"> • Category-wise quantitative data about derivative instruments that are outstanding at the balance sheet date; • The purpose, viz., hedging or speculation, for which such derivative instruments have been acquired; and <p>The foreign currency exposures that are not hedged by a derivative instrument or otherwise.</p>	<p>Requires disclosure of information about the nature and extent of risks arising from financial instruments:</p> <ul style="list-style-type: none"> • qualitative disclosures about exposures to each type of risk and how those risks are managed; and • quantitative disclosures about exposures to each type of risk, separately for credit risk, liquidity risk and market risk (including sensitivity analysis).
Segment Reporting	Under Indian GAAP there is a requirement to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments.	Operating segments are identified based on the financial information that is regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance.
Consolidated Financial Statements	<p>Under Indian GAAP the consolidation is driven by the reporting entity's control over its investees namely subsidiaries, associates and joint ventures.</p> <p>Control is:</p> <ul style="list-style-type: none"> (a) the ownership, directly or indirectly through subsidiary(ies), of more than one-half of the voting power of an entity; or (b) control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other entity so as to obtain economic benefits from its activities. <p>Therefore, a mere ownership of more than 50% of equity shares is sufficient to constitute control under Indian GAAP, whereas this is not necessarily so under Ind AS.</p>	Control is based on whether an investor has: <ul style="list-style-type: none"> (a) power over the investee; (b) exposure, or rights, to variable return from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amounts of the returns.

Topic	Indian GAAP	Ind AS
Consolidation - Exclusion of subsidiaries, associates and joint ventures	Excluded from consolidation, equity accounting or proportionate consolidation if the subsidiary/investment/interest was acquired with intent to dispose of in the near future (which, ordinarily means not more than 12 months, unless a longer period can be justified based on facts and circumstances of the case) or if it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent/investor/venturer.	Consolidated financial statements include all subsidiaries and equity accounted associates and joint ventures. No exemption for “temporary control”, “different lines of business” or “subsidiary / associate / joint venture that operates under severe long- term funds transfer restrictions”.
Consolidation – Joint Ventures	Under Indian GAAP, Proportionate consolidation method is applied when the entity prepares consolidated financial statements.	The equity method, as described in Ind AS 28 is applied when the entity prepares consolidated financial statements.

SECTION III – ISSUE RELATED INFORMATION

ISSUE STRUCTURE

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

Issuer	India Infoline Finance Limited
Type of instrument/ Name of the security/ Seniority	(i) Secured NCDs (ii) Unsecured NCDs (The Unsecured NCDs are in the nature of Subordinated Debt and will be eligible for Tier II Capital)
Nature of the Instrument	(i) Secured NCDs of face value of Rs. 1,000 each (ii) Unsecured NCDs of face value of Rs. 1,000 each
Mode of the Issue	Public Issue
Lead Managers	Edelweiss Financial Services Limited, IIFL Holdings Limited, ICICI Securities Limited and Trust Investment Advisors Private Limited
Debenture Trustee	Catalyst Trusteeship Limited
Depositories	NSDL and CDSL
Registrar	Link In time India Private Limited
Tranche I Issue	Rs. 20,000 million
Base Issue	Rs. 2,500 million
Option to Retain Oversubscription Amount	Rs. 17,500 million
Eligible Investors	<p>Category I</p> <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 Rs.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 Rs. 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. <p>Category II</p> <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; 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 and Hindu Undivided Families through the Karta applying for an amount aggregating to above Rs.10,00,000 across all options of NCDs in this Issue

Category IV

- Retail Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including Rs. 1 million across all options of NCDs in this Issue.

Objects of the Issue	Please refer to the section titled “ <i>Objects of the Tranche I Issue</i> ” on page 26, of this Tranche I Prospectus.
Details of Utilization of the Proceeds	Please refer to the section titled “ <i>Objects of the Tranche I Issue</i> ” on page 26, of this Tranche I Prospectus.
Interest Rate on each category of investor	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Step up/ Step Down Interest rates	N.A.
Interest type	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Interest reset process	N.A.
Frequency of interest payment	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Interest Payment date	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Day count basis	Actual / Actual
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	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Redemption Date	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Redemption Amount	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Redemption Premium / Discount	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Face Value	Rs.1000 per NCD
Issue Price	Rs.1000 per NCD

Discount at which security is issued and the effective yield as a result of such discount	N.A.
Put option date	N.A.
Put option price	N.A.
Call option date	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Call option price	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Put notification time	N.A.
Call notification time	Please refer to the section titled “ <i>Terms of the Issue</i> ” on page 50, of this Tranche I Prospectus.
Minimum Application size and in multiples of NCD thereafter	Rs. 10,000 only
Market Lot / Trading Lot	The market lot will be 1 Debenture (“ Market Lot ”). Since the Debentures are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of debentures.
Pay-in date	Application Date. The entire Application Amount is payable on Application
Credit Ratings	The NCDs proposed to be issued under this Issue have been rated BWR AA+/Stable (pronounced as BWR Double A Plus with Stable outlook) for an amount of Rs.50,000 million by Brickworks Ratings India Private Limited vide their rating letter dated October 31, 2018 which was further revalidated by their revalidation letter dated January 9, 2019, CRISIL AA/Stable (pronounced as CRISIL Double A rating with Stable outlook) for an amount of Rs.50,000 million by CRISIL Ratings Limited vide their rating letter dated November 2, 2018 which was further revalidated by their revalidation letter dated January 9, 2019 and [ICRA] AA (Stable) (pronounced as ICRA Double A) for an amount of Rs.50,000 million by ICRA Limited vide their rating letter dated November 1, 2018 which was further revalidated by their revalidation letter dated January 9, 2019. 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, B and C</i> of this Tranche I Prospectus for the rationale of the above ratings.
Listing	The NCDs are proposed to be listed on BSE and NSE. The NCDs shall be listed within 6 Working Days from the date of Issue Closure.
Modes of payment	Please refer to the section titled “ <i>Issue Procedure – Terms of Payment</i> ” on page 65 of this Tranche I Prospectus.
Issuance mode of the Instrument	In dematerialised form only
Trading mode of the instrument	In dematerialised form only
Tranche I Issue opening date	January 22, 2019
Tranche I Issue closing date	February 20, 2019
Record date	15 (fifteen) days prior to the relevant interest payment date, relevant Redemption Date for NCDs issued under the this Tranche I Prospectus. In case

	of redemption of NCDs, the trading in the NCDs shall remain suspended between the record date and the date of redemption. In event the Record Date falls on a Sunday or holiday of Depositories, the succeeding working day or a date notified by the Company to the stock exchanges shall be considered as Record Date.
Security and asset cover	The principal amount of the Secured NCDs to be issued in terms of the Draft Shelf Prospectus, this Shelf Prospectus and/or the relevant Tranche Prospectus(es) together with all interest due and payable on the Secured NCDs, thereof shall be secured by way of first pari passu charge in favour of the Debenture Trustee on an identified immovable property and first <i>pari passu</i> charge on receivables of the Company, both present and future, book debts, loans and advances and current assets of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables present and/or future specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the Secured NCDs and interest thereon is maintained at all time until the Maturity Date. For further details please refer to the section titled “ <i>Terms of the Issue – Security</i> ” on page 50 of this Tranche I Prospectus.
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 this Issue including but not limited to the Issue Agreement, Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account 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 97 of this Tranche I Prospectus.
Condition precedent to disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedents to disbursement
Condition subsequent to the disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions subsequent to disbursement
Events of default	Please refer to the section titled “ <i>Terms of the Issue – Events of Default</i> ” on page 50 of this Tranche I Prospectus.
Deemed date of Allotment	The date on which the Board of Directors/or the Finance Committee approves the Allotment of the NCDs or such date as may be determined by the Board of Directors/ or the Finance Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on 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 NCD Holders</i> ” on page 50 of this Tranche I 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	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 Issue Closure to listing of the securities, Working Days shall mean all trading days of Stock Exchanges excluding Saturdays and Sundays or a holiday of commercial banks in Mumbai or a public holiday in India. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest

Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. 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. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

**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 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. In the event of an early closure or extension of the Tranche I Issue, our Company shall ensure that notice of the same is approved to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier initial date of Issue closure. On the Tranche I Issue Closing Date, Application Forms for Tranche I Issue 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.*

***In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended ("Merchant Bankers Regulations"), India Infoline Holdings Limited will be involved only in marketing of the Tranche I Issue.*

SPECIFIC TERMS FOR NCDs

Series	I	II	III	IV	V	VI
Nature	Secured	Secured	Secured	Secured	Unsecured	Unsecured
Frequency of Interest Payment	Annual	Cumulative	Monthly	Annual	Monthly	Annual
Minimum Application	Rs. 10,000/- (10 NCDs) across all series					
Face Value / Issue Price of NCDs (Rs. NCDs)	Rs. 1,000/-					
In Multiples of thereafter (In Rs.)	Rs. 1,000/- (1 NCD)					
Tenor	39 months	39 months	60 months	60 months	120 months	120 months
Coupon (% per annum) for NCD Holders in Category I	9.50	N.A.	9.60	10.00	9.90	10.35
Coupon (% per annum) for NCD Holders in Category II, III & Category IV	9.60	N.A.	9.75	10.20	10.00	10.50
Effective Yield (per annum) for NCD Holders in Category I,	9.50	9.50	10.03	10.00	10.36	10.35
Effective Yield (per	9.60	9.60	10.20	10.20	10.47	10.50

annum) for NCD Holders in Category II, III and Category IV						
Mode of Interest Payment	Through various modes available					
Amount (Rs. / NCD) on Maturity for NCD Holders in Category I	Rs. 1000/-	Rs. 1342.65	Rs. 1000/-	Rs. 1000/-	Rs. 1000/-	Rs. 1000/-
Amount (Rs. / NCD) on Maturity for NCD Holders in Category II, III & Category IV	Rs. 1000/-	Rs. 1346.63	Rs. 1000/-	Rs. 1000/-	Rs. 1000/-	Rs. 1000/-
Maturity / Redemption Date (months from the Deemed Date of Allotment)	39 months	39 months	60 months	60 months	120 months	120 months
Put Option	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Call Option (anytime after the months to expire from the Deemed Date of Allotment)	24 months	24 months	30 months	30 months	66 months	66 months

Note: Our Company shall allocate and allot Series I NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series.

Our Company shall allocate and allot Series VI NCDs wherein the Applicants have not indicated the choice of relevant Unsecured NCD Series.

Terms of payment

The Application Forms will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such Applications from the Designated Intermediaries, (a list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>). 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 Application.

The entire face value per NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms of this Tranche I Prospectus .

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

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 (in case of Applicants applying for Allotment of the NCDs in dematerialized form) held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form.

This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

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

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory Permissions / consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

For further details, see the section titled “*Issue Procedure*” on page 65 of this Tranche I Prospectus.

TERMS OF ISSUE

GENERAL TERMS OF THE ISSUE

Authority for the Issue

This Issue has been authorized by the Board of Directors of our Company pursuant to a resolution passed at their meeting held on October 31, 2018. 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 March 23, 2018 up to an amount of Rs. 350,000 Million.

Principal Terms & Conditions of this 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 the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I 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, 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 Secured NCDs

The Secured NCDs would constitute secured obligations of ours and shall rank *pari passu* inter se, and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, thereof shall be secured by way of first *pari passu* charge in favour of the Debenture Trustee on an identified immovable property and first *pari passu* charge on receivables of the Company, both present and future, book debts, loans and advances and current assets of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables present and/or future specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the Secured NCDs and interest thereon is maintained at all time until the Maturity Date. The Secured NCDs proposed to be issued under the Issue and all earlier issues of debentures outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption.

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 the 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.

Security

The principal amount of the Secured NCDs to be issued in terms of the Draft Shelf Prospectus, this Shelf Prospectus and/or the relevant Tranche Prospectus(es) together with all interest due and payable on the Secured NCDs, thereof shall be secured by way of first *pari passu* charge in favour of the Debenture Trustee on an identified immovable property and first *pari passu* charge on receivables of the Company, both present and future, book debts, loans and advances and current assets of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, except those receivables present and/or future specifically and exclusively charged in favour of certain existing charge holders, such that a security cover of 100% of the outstanding principal amounts of the Secured NCDs and interest thereon is maintained at all time until the Maturity Date. The Issuer undertakes that the necessary documents for the creation of the security, including the Debenture Trust Deed would be executed within the time frame prescribed as per applicable law and the same would be uploaded on the website of the Designated Stock Exchange, within five working days of execution of the same.

Debenture Trust Deed

Our Company intends to enter into an indenture/deed with the Debenture Trustee, (**“Debenture Trust Deed”**) terms of which will govern the powers, authorities and obligations of the Debenture Trustee. Our Company proposes to complete the execution and registration of the Debenture Trust Deed within three months of the closure of the Issue and shall utilize the funds only after the stipulated security has been created. Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on NCDs on the rate specified in the relevant Tranche Prospectus(es), the respective Tranche Prospectus(es) and in the Debenture Trust Deed. The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value.

Debenture Redemption Reserve

Pursuant to Regulation 16 of the Debt Regulations and Section 71 (4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014 as amended by Companies (Share Capital and Debentures) Third Amendment Rules, 2016, dated July 19, 2016, further states that 'the adequacy' of DRR for NBFCs registered with the RBI under Section 45-IA of the RBI (Amendment) Act, 1997 shall be 25% of the value of the outstanding debentures issued through a public issue as per the SEBI Debt Regulations.

Accordingly, our Company is required to create a DRR of 25% of the outstanding value of the NCDs issued through the Issue. In addition, as per Rule 18 (7) (e) under Chapter IV of the Companies Act, 2013, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. The Rules further mandate that every company required to maintain DRR shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (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 clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on the 31st day of March of that year.

Face Value

The face value of each NCD shall be Rs. 1000.

Trustees for the NCD Holders

Our Company has appointed Catalyst Trusteeship Limited to act as the Debenture Trustee for the 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 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 NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

The Debenture Trustee will protect the interest of the 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.

Events of Default

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 NCDs or with the sanction of a special

resolution, passed at a meeting of the NCD Holders, (subject to being indemnified and/or secured by the NCD Holders to its satisfaction), give notice to our Company specifying that the NCDs and/or any particular series of 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:

- (i) default is committed in payment of the principal amount of the NCDs on the due date(s); and
- (ii) default is committed in payment of any interest on the NCDs on the due date(s)

NCD Holder not a Shareholder

The 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 Secured NCD Holders

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

1. The Secured NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the holders thereof any rights or privileges available to our Company's members/shareholders including, without limitation, the right to attend and/or vote at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the Secured NCDs is to be placed before the members/shareholders of our Company, the said resolution will first be placed before the concerned registered Secured NCD Holders for their consideration.
2. In terms of Section 136 (1) of the Companies Act, 2013, holders of Secured NCDs shall be entitled to a copy of the balance sheet and copy of trust deed at the Registered Office of the Company during business hours.
3. Subject to the above and the applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the Secured NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the Secured NCDs or with the sanction of a special resolution passed at a meeting of the concerned Secured 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 Secured NCDs, if the same are not acceptable to us.
4. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered Secured NCD Holder 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 Secured NCDs, either in person or by proxy, at any meeting of the concerned Secured 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 Secured NCD Holders shall be in proportion to the outstanding nominal value of Secured NCDs held by him/her.
5. The Secured NCDs are subject to the provisions of the Debt Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the Secured NCDs.
6. The Depositories shall maintain the up to date record of holders of the Secured NCDs in dematerialized Form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of Secured NCDs maintained by a Depository for any Secured NCD in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of Secured NCD holders for this purpose.
7. A register of Secured NCD Holders holding Secured NCDs in physical form pursuant to rematerialisation of the Secured NCDs issued pursuant to this Tranche I Prospectus ("**Register of Secured NCD Holders**") will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest and principal sums

becoming due and payable in respect of the Secured 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 Secured NCD Holders as on the Record Date.

8. Subject to compliance with RBI requirements, the Secured NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the Secured NCDs after providing at least 21 days prior notice for such roll over and in accordance with the SEBI Debt Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

The aforementioned rights of the Secured NCD holders are merely indicative. The final rights of the Secured NCD holders will be as per the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and the Debenture Trust Deed.

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 applicable as on the date of this Tranche I Prospectus, 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. In case of Unsecured NCDs the person for the time being appearing in the register of beneficial owners of the Depository, 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 Unsecured NCD 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 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 Issue and listing, of securities and any other documents that may be executed in connection with the Unsecured NCDs.
5. For Unsecured NCDs, all interest and principal sums becoming due and payable in respect of the Unsecured NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any Unsecured NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the Unsecured NCD Holders as given thereunder.

Nomination facility to NCD Holder

In accordance with Section 72 of the Companies Act 2013, Any NCD Holder may, at any time, nominate, any person as his nominee in whom the NCDs shall vest in the event of his death. On the receipt of the said nomination as per prescribed law a corresponding entry shall forthwith be made in the relevant register of securities holders, maintained under Section 88 of the Companies Act, 2013.

Where the NCDs are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, any person to whom all the rights in the NCDs shall vest in the event of death of all the joint holders. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate as prescribed any person as nominee.

The request for nomination should be recorded by the Company within a period of two months from the date of receipt of the duly filled and signed nomination form. In the event of death of the NCD Holder or where the NCDs are held by more than one person jointly, in the event of death of all the joint holders, the person nominated as the nominee may upon the production of such evidence as may be required by the Board, elect, either:

- (a) to register himself as holder of the NCDs; or
- (b) to transfer the NCDs as the deceased holder could have done.

If the person being a nominee, so becoming entitled, elects to be registered as holder of the NCDs himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects, and such notice shall be accompanied with the death certificate of the deceased NCD Holder(s). Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of the NCDs, where a nomination made in the prescribed manner purports to confer on any person the right to vest the NCDs, the nominee shall, on the death of the holder of NCDs or, as the case may be, on the death of the joint holders, become entitled to all the rights in the NCDs, of the NCD Holder or, as the case may be, of all the joint holders, in relation to the said NCDs, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

All the limitations, restrictions and provisions of the Companies Act 2013 relating to the right to transfer and the registration of transfers of the NCDs shall be applicable to any such notice or transfer as aforesaid as if the death of the NCD Holder had not occurred and the notice or transfer were a transfer signed by that NCD Holder. Where the nominee is a minor, it shall be lawful for the NCD Holder, making the nomination to appoint, in the prescribed manner, any person to become entitled to the NCDs, in the event of the death of the nominee during his minority. Where the nominee is a minor, NCD Holder making the nomination, may appoint a person as specified under sub-rule (1) of Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, who shall become entitled to the NCDs, in the event of death of the nominee during his minority.

A person, being a nominee, becoming entitled to NCDs by reason of the death of the NCD Holder shall be entitled to the same interests and other advantages to which he would have been entitled to if he were the registered NCD Holder except that he shall not, before being registered as a NCD Holder in respect of such NCDs, be entitled in respect of these NCDs to exercise any right conferred by subscription to the same in relation to meetings of the NCD Holders convened by the Company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the NCDs, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of interests, bonuses or other moneys payable in respect of the said NCDs, until the requirements of the notice have been complied with.

A nomination may be cancelled or varied by nominating any other person in place of the present nominee, by the NCD Holder who has made the nomination, by giving a notice of such cancellation or variation in the prescribed manner as per applicable laws. The cancellation or variation shall take effect from the date on which the notice of such variation or cancellation is received.

Since the allotment of 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

Our Company has in the Debenture Trustee Agreement agreed, for the exclusive benefit of the Debenture Trustee and the Debenture holders, that the courts in Mumbai, Maharashtra are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Debenture Trust or the NCDs and that accordingly any suit, action or proceedings (together referred to as “**Proceedings**”) arising out of or in connection with the Debenture Trust Deed and the NCDs may be brought only in the courts in Mumbai, Maharashtra.

Application in the Issue

Applicants shall apply in this Issue in dematerialised form only, through a valid Application Form filled in by the Applicant along with attachment, as applicable. Further, Applications in this Issue shall be made through the ASBA facility only.

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

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs held in dematerialized form 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.

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.

Please see “*Issue Structure – Interest*” on page 43 of this Tranche I Prospectus for the implications on the interest applicable to NCDs held by Individual Investors on the Record Date and 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**”), NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Title

The NCD Holder(s) for the time being appearing in the record of beneficial owners maintained by the Depository 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.

No transfer of title of a NCD will be valid unless and until entered on the Register of NCD Holders 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 NCDs will need to be settled with the seller of the 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 NCDs as well.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased 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 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 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 in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

Where a non-resident Indian becomes entitled to the 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 NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased 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 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.

Restriction on transfer of NCDs

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

Period of Subscription

TRANCHE I ISSUE PROGRAMME	
TRANCHE I ISSUE OPENS ON	January 22, 2019
TRANCHE I ISSUE CLOSES ON	February 20, 2019

Applications Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (a) by the Designated Intermediaries at the Collection Centres, or (b) by the SCSBs directly at the Designated Branches of the SCSBs. 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. or such extended time as may be permitted by the Stock Exchanges.

Due to limitation of time available for uploading the Applications on the Tranche I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche I Issue Closing Date and, no later than 3.00 p.m (Indian Standard Time) on the Tranche I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers or Trading Members of the Stock Exchange are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on a date priority basis in accordance with SEBI Circular dated October 29, 2013.

Interest and Payment of Interest

Series I Secured NCDs

In case of Series I Secured NCDs, interest would be paid annually on Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series I NCDs: .

Category of NCD Holder	Coupon rate (%) per annum
Category I	9.50
Category II	9.60
Category III	9.60
Category IV	9.60

Series I Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 39 months from the Deemed Date of Allotment.

Series II Secured NCDs

In case of Series II Secured NCDs, the NCDs shall be redeemed at the end of 39 months from the Deemed Date of Allotment as mentioned below:

Category of NCD Holder	Face Value (Rs. Per NCD)	Redemption Amount (Rs. per NCD)
Category I	1,000	1,342.65
Category II	1,000	1,346.63
Category III	1,000	1,346.63
Category IV	1,000	1,346.63

Series III Secured NCDs

In case of Series III Secured NCDs, interest would be paid monthly on Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series III NCDs: .

Category of NCD Holder	Coupon rate (%) per annum
Category I	9.60
Category II	9.75
Category III	9.75
Category IV	9.75

Series III Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

Series IV NCDs

In case of Series IV Secured NCDs, interest would be paid annually on Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series IV NCDs: .

Category of NCD Holder	Coupon rate (%) per annum
Category I	10.00
Category II	10.20
Category III	10.20
Category IV	10.20

Series IV Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

Series V Unsecured NCDs

In case of Series V Unsecured NCDs, interest would be paid monthly on Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series V NCDs: .

Category of NCD Holder	Coupon rate (%) per annum
Category I	9.90
Category II	10.00
Category III	10.00
Category IV	10.00

Series V Unsecured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 120 months from the Deemed Date of Allotment.

Series VI Unsecured NCDs

In case of Series VI Unsecured NCDs, interest would be paid annually on Actual/Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series VI NCDs: .

Category of NCD Holder	Coupon rate (%) per annum
Category I	10.35
Category II	10.50
Category III	10.50
Category IV	10.50

Series VI Unsecured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 120 months from the Deemed Date of Allotment.

Basis of payment of Interest

The Tenor, Coupon Rate / Yield and Redemption Amount applicable for each Series of NCDs shall be determined at the time of Allotment of NCDs. NCDs once allotted under any particular Series of 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 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 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 NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to help 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 “*Manner of Payment of Interest/ Refund*” at page 65.

Payment of Interest will be made to those NCD Holders whose names appear in the register of NCD Holders (or to first holder in case of joint-holders) as on Record Date.

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 NCDs held in the dematerialized form.

However in case of NCDs held in physical form pursuant to re-materialisation, as per the current provisions of the IT Act, tax will not be deducted at source from interest payable on such NCDs held by the investor (in case of resident Individuals and HUFs), if such interest does not exceed Rs.5,000 in any financial year. If interest exceeds the prescribed limit of Rs.5000 on account of interest on the NCDs, then the tax will be deducted at applicable rate.

However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by Individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all Applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all

Applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. The aforesaid documents, as may be applicable, should be submitted to our Company quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, prior to the Record Date to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The investors need to submit Form 15H/ 15G/certificate in original from Assessing Officer for each financial year during the currency of the NCD to ensure non-deduction or lower deduction of tax at source from interest on the NCD.

If the date of interest payment falls on a Saturday, Sunday or a public holiday in Mumbai or any other payment centre notified in terms of the N.I. Act, then interest would be paid on the next working day. 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 65 of this Tranche I Prospectus, please note that in case the 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 NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

Day Count Convention:

Interest shall be computed on an actual / actual basis on the principal outstanding on the 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 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 Annexure E of this Tranche I Prospectus.

Put Option

N/A.

Call Option

For all the Series of NCDs, our Company may exercise a call option, subject to applicable laws and following conditions:

- i. Series I & II NCDs have completed atleast 24 months from the Deemed Date of Allotment;
- ii. Series III & IV NCDs have completed atleast 30 months from the Deemed Date of Allotment;
- iii. Series V & VI NCDs have completed atleast 66 months from the Deemed Date of Allotment (subject to RBI and other applicable regulatory approval);

- iv. Our Company having sent a notice to all the eligible NCD Holders of all the Series NCD Holders holding NCDs as on the Record Date (defined below), on a date after the Record Date and at least 21 days before the date on which the call option is exercised; and
- v. A copy of aforementioned notice has been sent to the Stock Exchanges for wider dissemination and our Company has made an advertisement in the national daily having wide circulation indicating the details of the call option being exercised, including the Record Date;

Record Date for the purpose of exercise of the call option shall be as follows:

- a. For Series I and II NCDs shall be any date after the expiry of 24 months from the Deemed Date of Allotment as may be decided by the Company at its sole discretion. There shall be no trading in Series I & II NCDs from the Record Date till the date of exercise of call option. The Redemption Date in such case shall be the date of exercise of call option.
- b. For Series III and IV NCDs shall be any date after the expiry of 30 months from the Deemed Date of Allotment as may be decided by the Company at its sole discretion. There shall be no trading in Series III & IV NCDs from the Record Date till the date of exercise of call option. The Redemption Date in such case shall be the date of exercise of call option.
- c. For Series V and VI NCDs shall be any date after the expiry of 66 months from the Deemed Date of Allotment as may be decided by the Company at its sole discretion. There shall be no trading in Series V & VI NCDs from the Record Date till the date of exercise of call option. The Redemption Date in such case shall be the date of exercise of call option.

Illustrative example:

In the event the deemed date of allotment is March 1, 2019 and subject to compliance with applicable laws, the Record Date for the purpose of identification of eligible Series I & II NCD Holders would be April 1, 2021. Our Company shall intimate the stock exchanges prior to the Record Date the details of the Record Date fixed for identification of eligible Series I & II NCD Holders. Once, the eligible Series I & II NCD Holders have been identified, our Company shall issue a notice of not less than 21 days intimating them of the date of exercise of call option.

Our Company undertakes to pay the redemption proceeds to the investors along with the interest due to the investors within fifteen days from date of exercise of such call option, subject to compliance with applicable law. In case there is a delay in payment of redemption proceeds as mentioned above our Company shall be liable to pay interest at the rate of 15% per annum for the period of delay, if any.

Application Size

Each application should be for a minimum of 10 (ten) NCDs and multiples of one NCD thereof. The minimum application size for each application would be Rs. 10,000 (for all kinds of Series I, II, III, IV, V and VI NCDs either taken individually or collectively) and in multiples of Rs. 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.

Terms of Payment

The entire issue price of Rs. 1000 per NCD is payable on application itself. In case of allotment of lesser number of NCDs than the number of 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 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. NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of 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 7 (seven) days prior to the Record Date failing which the orders / warrants will be dispatched to the postal address of the holder of the NCDs 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 NCDs

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

Buy Back of NCDs

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

Our Company may from time to time invite the NCD Holders to offer the 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 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 NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Procedure for Redemption by NCD Holders

No action is required on the part of NCD Holder(s) at the time of redemption of NCDs.

Payment on Redemption

On the redemption date, redemption proceeds would be paid by cheque /pay order / electronic mode to those 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 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 NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of NCD Holders.

Our liability to 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 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 NCD(s).

Right to Reissue NCD(s)

Subject to the provisions of the Companies Act, 2013, where we have fully redeemed or repurchased any NCD(s), we shall have and shall be deemed always to have had the right to keep such 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 NCDs either by reselling or reissuing the same NCDs or by issuing other NCDs in their place. The aforementioned right includes the right to reissue original 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 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 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 post/ courier or through email or other electronic media to the Registered Holders of the 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/ NCDs/other securities in any manner having such ranking in priority, *pari passu* or otherwise, subject to 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, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection.

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.”

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least Rs. 10 lakh or 1.00% of the turnover of the 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 Rs. 10 lakh or 1.00% of the turnover of the 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 Rs. 20 lakh or with both.

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 the section titled “General Information – Issue Programme” on page 16 of this Tranche I Prospectus.

Our Company shall allot NCDs with respect to the Applications received until 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. 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 this Tranche I 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 i.e. Rs. 1,875 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 6 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 Accounts(s) of the Applicants within 6 working days from the Tranche I Issue

Closing Date, failing which the 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 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 Issue Proceeds

- (a) All monies received pursuant to the issue of 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 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 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 utilize the Issue proceeds only up on (i) receipt of minimum subscription; (ii) completion of Allotment in compliance with Section 40 of the Companies Act, 2013; (ii) receipt of listing and trading approval from Stock Exchange and (iii) only upon execution of the documents for creation of security.
- (e) The 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.

Filing of the Shelf Prospectus and Tranche I 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 relevant Tranche 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 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 the BSE *vide* their letter dated December 4, 2018 and NSE *vide* their letter dated December 4, 2018. For the purposes of the Issue, BSE 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 NCDs shall not be listed.

Guarantee/Letter of Comfort

The Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company.

Lien on Pledge of NCDs

Subject to applicable laws, 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, 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 Issue. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. 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. ASBA Applicants ensure that their respective ASBA accounts can be blocked by the SCSBs, in the relevant ASBA Accounts.

ASBA Applicants should note that they may submit their ASBA Applications to the Designated Intermediaries. 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.

Please note that this section has been prepared based on the circular no. CIR/IMD/DF-1/20/2012 dated July 27, 2012 issued by SEBI (“Debt Application Circular”). The procedure mentioned in this section is subject to the Stock Exchange putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular, including the systems and infrastructure required in relation to Applications made through the Direct Online Application Mechanism and the online payment gateways to be offered by the Stock Exchange and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchange and/or SEBI. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange and the Stock Exchange has confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Issue.

Specific attention is drawn to the circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which amends the provisions of the Debt Application Circular to the extent that it 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, as opposed to the date and time of upload of each such application.

PLEASE NOTE THAT ALL DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS 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 I PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

SYNDICATE MEMBERS AND OUR COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITY OF TRADING MEMBERS IN RELATION TO COLLECTION AND UPLOAD OF APPLICATION FORMS IN RESPECT OF THIS 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.

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 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 Tranche I Prospectus, Shelf Prospectus, Abridged Prospectus together with Application Forms may be obtained from our Registered Office, Lead Managers to the Issue, Lead Brokers for marketing of the Issue, the Registrar to the Issue and the Designated Branches of the SCSBs. Additionally, the Shelf Prospectus and Tranche I Prospectus 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 SCBSs.

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’.

PROCEDURE FOR APPLICATION

Who can apply?

The following categories of persons are eligible to apply in this 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 Rs.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 Rs. 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 and Hindu Undivided Families through the Karta applying for an amount aggregating to above Rs.10,00,000 across all options of NCDs in this Issue

Category IV

- Retail Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including Rs. 1 million across all options of NCDs in this Issue.

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 this Issue.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in this 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, Tranche I Prospectus together with Application Forms and copies of the Draft Shelf Prospectus, the Shelf Prospectus and 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, the 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 and www.trustgroup.in.
- (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 Issue can make Applications through the ASBA mechanism only.

Applicants are requested to note that in terms of the Debt Application Circular, SEBI has mandated issuers to provide, through a recognized Stock Exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("**Direct Online Application Mechanism**"). In this regard, SEBI has, through the Debt Application Circular, directed recognized Stock Exchange in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism. Please note that the Applicants will not have the option to apply for NCDs under this Issue, through the direct online applications mechanism of the Stock Exchange. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange and the Stock Exchange have confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Issue.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries.

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 <http://www.sebi.gov.in>.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained.

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 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.

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 Issue should be made by Applicants directly to the relevant Stock Exchange.

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 .

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to a recent SEBI circular SEBI/HO/IMD/DF2/CIR/P/2017/14 dated February 22, 2017 ("SEBI Circular 2017"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 25.0% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 15% of net assets value of scheme shall be allowed only by way of increase exposure to HFCs. Further, the group level limits for debt schemes and the ceiling be fixed at 20.0% of net assets value extendable to 25.0% of net assets value after trustee approval.

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 Secured 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 from a Mutual Fund for Allotment of the Secured NCDs in whole or in part, in either case, without assigning any reason therefor.

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 a relevant Tranche 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 for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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 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 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 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 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 NCDs pursuant to this 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 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 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 NCDs

Applications by scientific and/ or industrial research organisations which are authorised to invest in the 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 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 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, 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 II, 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 NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the 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 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 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 NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by Non-banking financial companies

Applications made by non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) 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.

The Syndicate Members and their respective associates and affiliates are permitted to subscribe in this 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;
- (c) Persons resident outside India;
- (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

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form. Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account Agreement.

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 Issue to the respective SCSB within 6 (six) 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 the relevant Tranche Issue or until rejection of the Application, as the case may be.

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 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 Tranche I Prospectus has been 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 relevant Issue Opening Date of each relevant Tranche Issue. 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.

Instructions for completing the Application Form

- (a) Applications must be made in the prescribed Application Form.
- (b) Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Shelf Prospectus, this Tranche I Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.
- (c) Applications are required to be for a minimum of such NCDs and in multiples of one NCD thereafter as specified in this Tranche I Prospectus.
- (d) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- (e) Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.
- (f) Applicants applying for Allotment 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 the Stock Exchange by the Designated Intermediaries, as the case may be, the Registrar to the Issue 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 NCDs.
- (g) Applicants must ensure that their Application Forms are
 - (i) made in a single name.
 - (ii) completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Tranche I Prospectus, and in the Application Form.
- (h) If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- (i) Applicant should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.

- (j) All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
- (k) Applications for all the options of the NCDs may be made in a single Application Form only.

Applicants should note that neither the Syndicate Members nor the other Designated Intermediaries/brokers, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

Our Company shall allocate and allot Series I NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series. Our Company shall allocate and allot Series VI NCDs wherein the Applicants have not indicated the choice of relevant Unsecured NCD Series.

Applicants' PAN, Depository Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDs SHOULD MENTION THEIR DP ID, CLIENT ID AND PAN IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID AND PAN GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID AND PAN AVAILABLE IN THE DEPOSITORY DATABASE. IF THE BENEFICIARY ACCOUNT IS HELD IN JOINT NAMES, THE APPLICATION FORM SHOULD CONTAIN THE NAME AND PAN OF BOTH THE HOLDERS OF THE BENEFICIARY ACCOUNT AND SIGNATURES OF BOTH HOLDERS WOULD BE REQUIRED IN THE APPLICATION FORM.

On the basis of the DP ID, Client ID and PAN provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the Demographic Details of the Applicants including PAN and MICR code. These Demographic Details would be used for giving Allotment Advice and refunds, if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details (including bank account details) as appearing on the records of the Depository Participant and ensure that they are true and correct. Please note that failure to do so could result in delays in despatch/ credit of refunds, if any, to Applicants, delivery of Allotment Advice or unblocking of ASBA Accounts at the Applicants' sole risk, and neither the Syndicate Members nor the Designated Intermediaries, nor the Registrar, nor the Banker(s) to the Issue, nor the SCSBs, nor our Company shall have any responsibility and undertake any liability for the same.

Applicants should note that in case the DP ID, Client ID and PAN mentioned in the Application Form, as the case may be and entered into the electronic Application system of the Stock Exchange by the Syndicate Members or the Designated Intermediaries, as the case may be, 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 is liable to be rejected and our Company, the Syndicate Members and the other Designated Intermediaries shall not be liable for losses, if any.

These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice and for refunds (if any) as applicable. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue.

By signing the Application Form, Applicants applying for the NCDs would be deemed to have authorised the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Banker(s) to the Issue, Registrar to the Issue nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in this Tranche I Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on and mailing of the Allotment Advice through speed post or registered post, the Demographic Details obtained from the Depository of the Applicant shall be used.

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 NCDs pursuant to this Issue will be made into the accounts of

the 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 and PAN, then such Applications are liable to be rejected.

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 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 this Issue. This facility will be available on the terminals of Syndicate Members and the other Designated Intermediaries during the Issue Period. On the 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 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 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 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 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 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 the Shelf Prospectus or this Tranche I Prospectus; nor does it warrant that the 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 Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the 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

- **Check if you are eligible to apply as per the terms of the Shelf Prospectus, the Tranche I Prospectus and applicable law;**
- **Read all the instructions carefully and complete the Application Form;**
- Ensure that the details about Depository Participant and beneficiary account are correct and the beneficiary account is active;
- Applications are required to be in single or joint names (not more than three);
- 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;
- Ensure that Applications are submitted to the Designated Intermediaries, before the closure of application hours on the Issue Closing Date;
- Information provided by the Applicants in the Application Form will be uploaded on to the online platform of the Stock Exchange by the Designated Intermediaries, as the case may be, and the electronic data will be used to make allocation/ Allotment. The Applicants should ensure that the details are correct and legible;
- Ensure that the Applicant's names (given in the Application Form is exactly the same as the names in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that you have funds equal to or more than the Application Amount in your ASBA Account before submitting the Application Form;
- Ensure that you mention your PAN in the Application Form. In case of joint applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;

Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to the circular dated April 3, 2008 issued by SEBI) 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.

- Ensure that the Demographic Details as provided in the Application Form are updated, true and correct in all respects;
- Ensure that you request for and receive a Acknowledgement Slip for all your Applications and an acknowledgement as a proof of having been accepted;
- 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 the NCDs;
- Before submitting the physical Application Form with the Designated Intermediaries, ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;
- For Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Designated Intermediaries and not to the Public Issue Account Banks or Refund Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- For Applicants applying through the SCSBs, ensure that your Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Public Issue Bank (assuming that such bank is not a SCSB), to our Company, the Registrar to the Issue or the Designated Intermediaries;
- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form;
- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the, or to the Syndicate Members at the Specified Locations, or to the Designated Intermediaries, as the case may be;

- Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form;
- Ensure that you receive an acknowledgement from the Designated Branch or the concerned Syndicate Members, or the Designated Intermediaries, as the case may be, for the submission of the Application Form;
- 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;
- Ensure that your Application Form bears the stamp of the relevant Designated Intermediaries to whom the Application is submitted;
- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and
- Tick the Option of NCDs in the Application Form that you wish to apply for.

Don'ts

- Do not apply for lower than the minimum Application size;
- Do not pay the Application amount in cash, by money order, postal order or by stockinvest;
- Do not send the Application Forms by post; instead submit the same to the Designated Intermediaries (as the case may be) only;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- 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;
- Do not fill up the Application Form such that the NCDs applied for exceeds the size of this Issue and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Do not submit an Application in case you are not eligible to acquire the NCDs under applicable law or your relevant constitutional documents or otherwise;
- Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts;
- Do not submit more than five Application Forms per ASBA Account;
- Do not submit the Application Forms without the Application Amount; and
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

Submission of Application Forms

For details in relation to the manner of submission of Application Forms, please see the section titled "*Issue Procedure*" on page 65 of this Tranche I Prospectus.

OTHER INSTRUCTIONS

Joint Applications

Applications may be made in single or joint names (not exceeding three). 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.

Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs for the same or other options of NCDs, as specified in this Tranche I Prospectus, subject to a minimum Application size as specified in this Tranche I Prospectus for each Application. Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected. 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 an HUF and/or as joint Applicant (second or third applicant), shall not be deemed to be multiple Applications.

Depository Arrangements

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

- i. Tripartite Agreements dated November 28, 2007 and December 20, 2007, between us, the Registrar to the Issue and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
- ii. 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.
- iii. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
- iv. Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.
- v. It may be noted that 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.
- vi. Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those 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 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.
- vii. The trading of the NCDs on the floor of the Stock Exchange shall be in dematerialized form in multiples of One NCD only.

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

For further information relating to Applications for Allotment of the NCDs in dematerialised form, please see the section titled “*Issue Procedure*” on page 65 of this Tranche I Prospectus.

Communications

All future communications in connection with Applications made in this 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 NCDs in depository's beneficiary account/ etc. Please note that Applicants who have applied for the 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 NCDs in depository's beneficiary account/ etc.

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 it's 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 not made through the ASBA facility
- Number of NCDs applied for being less than the minimum Application size;
- Applications not being signed by the sole/joint Applicants;

- Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Application Amount blocked being higher than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;
- Investor Category in the Application Form not being ticked;
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form
- Applications where a registered address in India is not provided by the Applicant;
- ASBA Bank account details to block Application Amount not provided in the Application Form;
- Submission of more than 5 ASBA Forms per ASBA Account;
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor without the name of a guardian;
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- DP ID and Client ID not mentioned in the Application Form;
- Applications by stockinvest or accompanied by cash/money order/postal order or any mode other than ASBA;
- If an authorization to the SCSB for blocking funds in the ASBA Account has not been provided;
- Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;
- In case of partnership firms, 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;
- Applications made without mentioning the PAN of the Applicant, 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;
- GIR number mentioned in the Application Form instead of PAN;
- Application by OCBs;
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- Applications by any persons outside India;
- For all Applications for Allotment the, DP ID, Client ID and PAN mentioned in the Application Form do not match with the DP ID, Client ID and PAN available in the records with the depositories;
- Applications by persons who are not eligible to acquire the NCDs in terms of applicable laws, rules, regulations, guidelines and approvals;
- Application Forms from Applicants 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;
- Applications for an amount below the minimum Application size;
- Inadequate funds or no credit balance in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications by Applicants seeking Allotment in dematerialised form 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;
- Applications not uploaded on the terminals of the Stock Exchange;
- Applications providing an inoperative demat account number;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;
- Application Forms submitted to the Designated Intermediaries does not bear the stamp of the relevant Designated Intermediaries. 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 Syndicate Members, or other Designated Intermediaries, as the case may be;
- Applications by other persons who are not eligible to apply for NCDs under this Issue under applicable Indian regulatory requirements;

- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Shelf Prospectus and as per the instructions in the Application Form, the Shelf Prospectus and this Tranche I Prospectus;
- Applications tendered to the Designated Intermediaries at centres other than the centres mentioned in the Application Form;
- 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; and

For further instructions regarding Application for the NCDs, Applicants are requested to read the Application Form.

Mode of making refunds

The payment of refund, if any, may be done through various electronic modes mentioned below:

- Direct Credit** – Applicants having bank accounts with the Banker(s) to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by us.
- NACH** – Payment of refund would be done through NACH for Applicants having an account at any of the centres specified by RBI, where such facility has been made available. This mode of payment of refunds, if any, would be subject to availability of complete bank account details including the MICR code as available from the Depositories. The payment of refunds, if any, through this mode will be done for Applicants having a bank account at any centre where NACH facility has been made available (subject to availability of all information for crediting the refund through NACH).
- NEFT** – Payment of refund shall be undertaken through NEFT wherever the Applicant's bank has been assigned the Indian Financial System Code ("IFSC"), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. In case of online payment or wherever the Investors have registered their nine digit MICR number and their bank account number with the depository participant while opening and operating the demat account, the MICR number and their bank account number will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- RTGS** – If the refund amount exceeds Rs. 200,000, Applicants have the option to receive refund through RTGS. Charges, if any, levied by the Banker(s) to the Issue for the same would be borne by us. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant.

The Registrar to the Issue shall instruct the relevant SCSB 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 6 (six) Working Days of the Issue Closing Date.

Our Company and the Registrar to the Issue shall credit the allotted NCDs to the respective beneficiary accounts/ dispatch the Letters of Allotment or letters of regret by ordinary post at the Applicant's sole risk, within six Working Days from the Issue Closing Date. Our Company may enter into an arrangement with one or more banks in one or more cities for refund to the account of the applicants through Direct Credit/RTGS/NEFT/NACH.

Further,

- Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;
- Credit to dematerialised accounts will be given within one Working Day from the Deemed Date of Allotment;
- Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund orders have not been dispatched to the Applicants within 6 Working days from the Issue Closing Date, for the delay beyond 6 Working days in case of non-receipt of minimum subscription; and
- Our Company will provide adequate funds to the Registrar to the Issue / relevant banks for this purpose.

BASIS OF ALLOTMENT:

Basis of Allotment for NCDs

The Registrar will aggregate the Applications, based on the applications received through an electronic book from the Stock Exchanges and determine the valid Application for the purpose of drawing the valid Applications for the purpose of drawing the basis of allocation.

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**".

For the purposes of determining the number of NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription in the Tranche I Issue up to the Tranche I Issue Limit i.e. aggregating up to Rs. 20,000 million. The aggregate value of NCDs decided to be allotted over and above the Base Issue Size, (in case our Company opts to retain any oversubscription in the Tranche I Issue), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as the "**Tranche I Issue Limit**".

Allocation Ratio

Institutional Portion	Non-Institutional Portion	High Net Worth Individual Portion	Retail Individual Investor Portion
20% of the Tranche I Issue Limit	20% of the Tranche I Issue Limit	30% of the Tranche I Issue Limit	30% of the Tranche I Issue Limit

Basis of Allotment for NCDs

(a) Allotments in the first instance:

(i) Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 20% of Tranche I Issue Limit on first come first served basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;

(ii) Applicants belonging to the Corporate Portion, in the first instance, will be allocated NCDs up to 20% of Tranche I Issue Limit on first come first served basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;

(iii) Applicants belonging to the High Net Worth Individual Portion, in the first instance, will be allocated NCDs up to 30% of Tranche I Issue Limit on first come first served basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;

(iv) Applicants belonging to the Retail Individual Investor Portion, in the first instance, will be allocated NCDs up to 30% of Tranche I Issue Limit on first come first served basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;

(b) Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchange, in each Portion subject to the Allocation Ratio. However, on the date of oversubscription, the allotments would be made to the applicants on proportionate basis.

(c) Under Subscription

- (i) Retail Individual Investor Portion;
- (ii) High Net worth Individual Portion;
- (iii) Corporate Portion; and
- (iv) QIB Portion.

Within each Portion, priority in Allotments will be given on a first-come-first-serve basis, based on the date of upload of each Application into the electronic system of the Stock Exchange.

(d) For each Portion, all Applications uploaded in to the Electronic Book with Stock Exchanges would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the Platform of the Stock Exchanges on a particular date exceeds NCDs to be allotted for each Portion respectively.

(e) Minimum allotment of 10 (ten) NCDs and in multiples of 1 (one) NCD thereafter would be made in case of each valid Application.

(f) 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 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 NCDs to the Applicants on the date of oversubscription (based on the date of upload of each Application into the Electronic Book with Stock Exchange, in each Portion).

(g) Proportionate Allotments: For each Portion, 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 NCDs being higher than the Tranche I Issue size, not all Applicants will be allotted the number of 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; and
- (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 finalized by draw of lots in a fair and equitable manner.

(h) Applicant applying for more than one Series of NCDs: If an Applicant has applied for more than one Series of NCDs, and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with Lead Managers and Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the six series and in case such Applicant cannot be allotted all the six series, then the Applicant would be allotted NCDs, at the discretion of the Company, the Registrar and the Lead Managers wherein the NCDs with the least tenor i.e. allotment of NCDs with tenor of 39 months followed by allotment of NCDs with tenor of 60 months and so on.

All decisions pertaining to the basis of allotment of 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 shall allocate and allot Series I NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series.

Our Company shall allocate and allot Series VI NCDs wherein the Applicants have not indicated the choice of relevant Unsecured NCD Series.

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to the Tranche I Issue Closing Date.

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 Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue before the Issue Closing Date. Our Company shall allot 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, the Tranche I Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue before the Issue Closing Date.

In the event of such early closure of this 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 of the Tranche I Issue, through advertisement(s) in all those newspapers in which pre-Issue advertisement and advertisement for opening or closure of this Tranche I Issue have been given.

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 Issue Period as long as the total order quantity does not fall under 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 under 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 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 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 Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the 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 a Tranche 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 this Issue

- All monies received out of this 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 this 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 this 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 this Issue remains unutilized indicating the form in which such unutilised monies have been invested.
- Our Company shall utilize proceeds of this 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 43.
- Proceeds of this 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 this 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 NCDs proposed to be offered in pursuance of the Draft Shelf Prospectus, the Shelf Prospectus and the Tranche I Prospectus will be listed on the Stock Exchanges. Our Company has received an ‘in-principle’ approval from BSE by way of its letter bearing reference number DCS/BM/PI-BOND/17/18-19 dated December 4, 2018 and from NSE by way of its letter bearing reference number NSE/LIST/68203 dated December 4, 2018. The application for listing of the NCDs will be made to the Stock Exchange at an appropriate stage.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Draft Shelf Prospectus, the Shelf Prospectus and 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 NCDs with Series shall not be listed.

Guarantee/Letter of Comfort

This 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 this 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 NCDs listed within the specified time i.e. six Working Days from the Issue Closing Date.;
- c) 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;
- d) necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the NCDs are outstanding;
- e) we shall forward the details of utilisation of the funds raised through the NCDs duly certified by our statutory auditors, to the Debenture Trustee at the end of each half year;
- f) we shall disclose the complete name and address of the Debenture Trustee in our annual report;
- g) we shall provide a compliance certificate to the Debenture Trustee (on an annual basis) in respect of compliance with the terms and conditions of issue of NCDs as contained in the Shelf Prospectus; and
- h) we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

At the meeting of the Board of Directors of our Company held on October 31, 2018, the Board of Directors approved the issuance of Secured NCDs of the face value Rs.1000 each and Unsecured NCDs of the face value Rs. 1000 each, aggregating up to Rs.50,000 million (“**Shelf Limit**”) to the public, hereinafter called the “**Issue**”.

Further, the present borrowing is within the borrowing limits of Rs.350,000 million under Section 180(1)(c) of the Companies Act, 2013 duly approved by the members of Company at the EGM held on March 23, 2018.

Prohibition by SEBI

The Company, persons in control of the Company and/or the Promoters and/or the Directors have not been restrained, 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 the IIFL Group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

Willful Defaulter

Our Company, our Directors and/or our Promoters have not been categorised as a willful 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 HOLDINGS LIMITED*, ICICI SECURITIES LIMITED, AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT 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 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 HOLDINGS LIMITED*, ICICI SECURITIES LIMITED, AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JANUARY 4, 2019 WHICH READS AS FOLLOWS:

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 THE BOARD. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.

WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE TRANCHE I ISSUE OR RELATING TO THE TRANCHE I ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THE TRANCHE I 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 TRANCHE I ISSUE HAVE BEEN GIVEN.

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.

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.

WE CONFIRM THAT NO COMMENTS/COMPLAINTS WERE RECEIVED ON THE DRAFT SHELF PROSPECTUS DATED NOVEMBER 23, 2018 FILED WITH BSE LIMITED AND NATIONAL STOCK EXCHANGE LIMITED.

**IIFL Holdings Limited is 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 Holdings Limited would be involved only in marketing of the Issue*

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE ITS LETTER BEARING REFERENCE NUMBER DCS/BM/PI-BOND/17/18-19 DATED DECEMBER 4, 2018, PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES 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 PROMOTERS, 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 ANY 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 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/68203 DATED DECEMBER 4, 2018 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 DRAFT 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 RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED MAY 12, 2005 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45I-A OF THE RESERVE BANK OF INDIA ACT, 1934. IT MUST BE DISTINCTLY UNDERSTOOD THAT THE ISSUING OF THIS CERTIFICATE AND GRANTING A LICENSE AND APPROVAL BY RBI IN ANY OTHER MATTER SHOULD NOT IN ANY WAY, BE DEEMED OR CONSTRUED TO BE AN APPROVAL BY RBI TO THIS TRANCHE I PROSPECTUS NOR SHOULD IT BE DEEMED THAT RBI HAS APPROVED IT.

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

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 Holdings Limited	www.iiflcap.com
ICICI Securities Limited	www.icicisecurities.com
Trust Investment Advisors Private Limited	www.trustgroup.in

Listing

The NCDs proposed to be 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* their letter no. DCS/BM/PI-BOND/17/18-19 dated December 04, 2018 and NSE *vide* their letter no. NSE/LIST/68203 dated December 04, 2018. If permissions to deal in and for an official quotation of our NCDs are not granted by BSE, 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 mentioned above are taken within 6 Working Days from the date of closure of the Tranche I Issue.

For the avoidance of doubt, it is hereby clarified that in the event of under subscription to any one or more of the series, such NCDs with series shall not be listed

Consents

Consents in writing of: (a) the Directors, (b) Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) CRISIL, (h) BWR (i) ICRA (j) ICRA in relation to industry reports as obtained from them, (k) the Debenture Trustee (l) Public Issue Account Bank (m) Refund Bank (n) Lead Brokers, to act in their respective capacities, have been obtained and the same has been filed along with a copy of the Shelf Prospectus and Tranche I Prospectus with the ROC as required under Section 26 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of the Shelf Prospectus and the Tranche I Prospectus with the RoC.

The consent of the Statutory Auditors of our Company, M/s. Deloitte Haskins & Sells LLP dated January 11, 2019, for (a) inclusion of their names as the Statutory Auditors, (b) attaching the examination reports on Reformatted Summary Financial Statements in the form and context in which they appear in the Shelf Prospectus, have been obtained and has not withdrawn such consent and the same will be filed along with a copy of this Tranche I with the RoC.

The consent from an independent chartered accountant namely Pritesh Mehta & Co., Chartered Accountants to include their name in respect of the statement of tax benefits dated November 13, 2018, in the form and context in which they appear in the Shelf Prospectus, have been obtained and has not withdrawn such consent 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 the Shelf Prospectus:

1. Our Company has received consent dated January 11, 2019 from its Statutory Auditors namely M/s. Deloitte Haskins & Sells LLP to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 and as 'Expert' as defined under Section 2(38) of the Companies Act, 2013 in the Shelf Prospectus in respect of Examination Report on Reformatted Summary Financial Statements and the Limited Review Financial Statements.
2. Our Company has received consent from an independent chartered accountant namely Pritesh Mehta & Co., Chartered Accountants to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 and as 'Expert' as defined under Section 2(38) of the Companies Act, 2013 in the Shelf Prospectus in respect of the statement of tax benefits dated November 13, 2018 included in the Shelf Prospectus and such consent has not been withdrawn as on the date of the Shelf Prospectus.
3. Our Company has received consent from BWR to act as the credit rating agency to the Issue and an expert as defined under Section 2 (38) of the Companies Act, 2013 vide its letter dated October 31, 2018.

Common form of Transfer

Our Company undertakes that there shall be a common form of transfer for the NCDs and the provisions of the Companies Act, 2013 applicable as on the date of the Shelf Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

Under the SEBI Debt Regulations, our Company may stipulate a minimum subscription amount which it seeks to raise. The SEBI has by its circular, CIR/IMD/DF/12/2014 dated June 17, 2014 prescribed the minimum subscription for debt securities as 75% of the base issue (i.e. INR 1,875 million). If our Company does not receive the minimum subscription of 75% of the Base Issue, prior to the Issue Closing Date, the entire subscription amount shall be refunded to the Applicants within six days from the date of closure of the Issue 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 Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15% per annum for the delayed period.

Filing of the Draft Shelf Prospectus

In terms of Regulation 7 of the SEBI Debt Regulation, a copy of the Draft Shelf Prospectus was filed with the Designated Stock Exchange and BSE, for dissemination on their website and the website of SEBI.

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

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

Debenture Redemption Reserve

Section 71 of the Companies Act, 2013, read with Rule 18 made under Chapter IV of the Companies Act, 2013, requires that any company that intends to issue debentures must create a DRR for the purpose of redemption of debentures, in accordance with the following conditions: (i) the DRR shall be created out of the profits of our Company available for payment of dividend, (ii) the DRR shall be equivalent to at least 25% of the value of the outstanding debentures issued through the public issue in accordance with the SEBI Debt Regulations. Accordingly our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through the Issue. In addition, as per Rule 18 (7) (e) under Chapter IV of the Companies Act, 2013, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. Every company required to create or maintain DRR shall on or before the 30th day of April of each year, deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March, of the next year, following any one or more of the following methods: (i) in deposits with any scheduled bank, free from charge or lien; (ii) in unencumbered securities of the Central Government or of any State Government; (iii) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (e) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The amount deposited or invested, as the case may be, shall not be utilised for any purpose other than for the repayment of debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the year ending on the 31st day of March of that year. This may have a bearing on the timely redemption of the NCDs by our Company.

Utilisation of Proceeds

Our Board of Directors certifies that:

- (i) all monies received out of the Issue of the NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank;
- (ii) details of all monies utilised out of the 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 the 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 Issue proceeds only upon creation of security as stated in this Tranche I Prospectus in the section titled “*General Terms of the Issue*” on page 50 of this Tranche I Prospectus and after (a) permissions or consents for creation of *pari passu* charge have been obtained from the creditors who have *pari passu* charge over the assets sought to be provided as Security; (b) receipt of the minimum subscription of 75% of the Base Issue amount; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of Secured NCDs and (e) receipt of listing and trading approval from BSE and NSE;
- (v) the allotment letters shall be issued or application money shall be refunded within the time specified in section titled “*Issue Procedure*” or such lesser time as may be prescribed by SEBI, 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;
- (vi) the 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
- (vii) the 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.

Issue Related Expenses

The expenses of this Tranche I Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, lead brokers, fees payable to debenture trustees, underwriters (if any), the Registrar to the Issue, SCSBs' commission/ fees, 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.

Reservation

No portion of this Issue has been reserved.

Public / Rights Issues of Equity Shares

Our Company has not made any public or rights issuances of Equity Shares in the last five years from the date of this Tranche I Prospectus.

Utilisation details of Previous Public Issues

Our Company has utilized the proceeds of the previous public issues, *inter alia*, towards onwards lending, working capital requirement and more specifically as mentioned in the prospectus of the respective issue. Please see below details of past issuances:

Particulars	Issue - 1	Issue - 2	Issue - 3
Date of Opening	August 4, 2011	September 5, 2012	September 17, 2013
Date of Closing	August 8, 2011	September 7, 2012	September 23, 2013
Total Issue Size	Rs. 7,500 million	Rs. 5,000 million	Rs. 10,500 million
Date of Allotment	August 18, 2011	September 18, 2012	September 30, 2013
Net Utilization of Issue	For various financing activities including lending, providing loans against securities and investments, towards repayment of existing loans and for business operations including capital expenditure, general corporate purposes and working capital requirements.	For various financing activities including onward lending and investments, to repay existing loans and for business operations including our capital expenditure and working capital requirements.	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.

Public Issue / Rights issue by other related parties

5paisa Capital Limited has filed draft letter of offer with NSE, BSE and SEBI on September 17, 2018 for the proposed Rights Issue to its existing shareholders in the ratio of 1 equity share of Rs.10 each for every 1 equity share of Rs.10 each held in the Company at a premium of Rs.70 per share i.e. issue price of Rs.80 each aggregating to Rs.1019.1 million in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.

Details of overall lending by our Company as of March 31, 2018 on a standalone basis.

A. Type of loans:

The detailed break-up of the loan assets under management outstanding as on March 31, 2018 is as follows:

		(Rs. in million)
S. No.	Type of Loans	Amount
1.	Secured Loan Portfolio	143,130.28
2.	Unsecured Loan Portfolio	17,532.52
Asset under Management ("AUM")		160,662.80

B. Sectoral exposure as on March 31, 2018:

S. No.	Segment wise break up of AUM	Percentage of AUM
1.	Retail	
	(a) Mortgages (Home loans and loans against properties)	11%
	(b) Gold loans	25%
	(c) Vehicle loans	25%
	(d) MFI	NA
	(e) MS&ME	14%
	(f) Capital market funding (loan against shares, margin funding)	7%
	(g) Others	NA
2.	Wholesale	
	(a) Infrastructure	NA
	(b) Real Estate (including builder loans)	18%
	(c) Promoter funding	NA
	(d) Others	NA
	Total	100%

C. Residual Maturity Profile of Assets and Liabilities as on March 31, 2018

(Rs. 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	7,903.14	7,967.38	7,693.43	18,433.78	32,509.68	47,126.04	7,439.42	6,069.70	135,142.57
Reserves and Surplus	-	-	-	-	-	-	-	32,146.92	32,146.92
Investment	5,702.62	195.69	-	220.47	3,340.50	9,361.96	3,754.48	8,469.21	31,044.93
Borrowings	9,213.98	38,571.87	28,496.58	10,224.04	7,600.22	36,277.92	13,088.37	1,600.00	145,072.98
Foreign currency assets	-	-	-	-	-	-	-	-	-
Foreign currency liabilities	-	-	-	-	-	-	-	-	-

D. Denomination of the loans outstanding by ticket size as on March 31, 2018

S. No.	Ticket Size	Percentage of AUM
1.	Upto Rs. 0.2 million	22%
2.	Rs. 0.2 million to Rs. 0.5 million	8%
3.	Rs. 0.5 million to Rs. 1 million	8%
4.	Rs. 1 million to Rs. 2.5 million	15%
5.	Rs. 2.5 million to Rs. 5 million	10%
6.	Rs. 5 million to Rs. 10 million	2%
7.	Rs. 10 million to Rs. 50 million	7%
8.	Rs. 50 million to Rs. 250 million	6%
9.	Rs. 250 million to Rs. 1000 million	17%
10.	Above Rs. 1000 million	5%
	Total	100%

E. Denomination of loan outstanding by LTV as on March 31, 2018

S. No.	LTV	Percentage of AUM*
1.	Up to 40%	12%
2.	40% - 50%	14%
3.	50% - 60%	8%
4.	60% - 70%	18%
5.	70% - 80%	28%
6.	80% - 90%	14%
7.	More than 90%	6%
Total		100%

**Percentage of AUM of secured lending book*

F. Geographical Classification of IIFL's borrowers as on March 31, 2018

S. No.	Top five States	Percentage of AUM
1.	Maharashtra	28%
2.	Gujarat	11%
3.	Delhi	11%
4.	Andhra Pradesh	9%
5.	Rajasthan	6%
Others		35%
Total		100%

G. Details of top 20 borrowers with respect to concentration of advances as on March 31, 2018

(Rs. in million)

Particulars	Details
Total advances to twenty largest borrowers	26,099.02
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	17.22%

H. Details of top 20 borrowers with respect to concentration of exposure as on March 31, 2018

(Rs. in million)

Particulars	Details
Total advances to twenty largest borrowers	26,443.76
Percentage of exposure to twenty largest borrowers to total exposure of the NBFC	17.25%

I. Details of loans overdue and classified as non-performing in accordance with RBI's guidelines as on March 31, 2018:

(Rs. in million)

Movements of Gross NPA	Amount
Opening balance of gross NPAs	2987.34
Additions during the year	3074.69
Reductions during the year	2218.32
Closing balance of gross NPAs	3843.71

(Rs. in million)

Movements of provisions for NPA	Amount
Opening balance	2100.00
Provisions made during the year	621.91
Write-off/ write-back of excess provisions	752.08
Closing balance of Provision for NPAs	1969.83

J. Segment-wise gross NPA as on March 31, 2018

S. No.	Segment-wise gross NPA	Gross NPA (%)
1.	Retail	
	(a) Mortgages (Home loans and loans against properties)	5.48
	(b) Gold loans	0.26
	(c) Vehicle loans	4.41
	(d) MFI	NA
	(e) MS&ME	2.42
	(f) Capital market funding (loan against shares, margin funding)	0.00
	(g) Others	NA
2.	Wholesale	
	(a) Infrastructure	NA
	(b) Real Estate (including builder loans)	3.37
	(c) Promoter funding	NA
	(d) Others	NA

K. Details of loans/advances by the Company to associates, entities/person relating to the Board, senior management, Promoter.

The outstanding amount of loan given including interest accrued to one of our Subsidiary i.e. Samasta Microfinance Limited is Rs. 953.17 million as on March 31, 2018. For more details please refer to the section titled “Financial Statements” on page 174 of the Shelf Prospectus.

L. Onward lending to borrowers forming part of the “Group” as defined by RBI:

Nil

M. Concentration of Exposure and NPA as of March 31, 2018

		(Rs. in million)
Particulars	Amount	
Concentration of Exposures		
Total advances to twenty largest borrowers	26,443.76	
Percentage of exposure to twenty largest borrowers to total exposure of the NBFC	17.25%	
Concentration of NPAs		
Total exposure to top four NPA accounts	1,475.81	

N. Debt Equity Ratio of the Company on an standalone basis

		(Rs. in million)	
Particulars	Pre issue as at September 30, 2018	Post issue	
Debt			
Debt Securities	28,501.02		
Borrowings (Other than Debt Securities)	125,727.70		
Subordinated Liabilities	8,142.20		
Total Debt (A)	162,370.92	182,370.92	
Equity			
Equity and Share Capital	2,808.02		2,808.02
Other Equity	30,763.40		30,763.40
Total Equity (B)	33,571.41	33,571.41	
Debt / Equity (A/ B)	4.84	5.43	

Note: The debt - equity ratio post Issue is indicative on account of the assumed inflow of Rs. 20,000 million from the date of the proposed Issue of the Secured and Unsecured NCDs as on September 30, 2018. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

Dividend

Dividend paid to the equity shareholders of our Company over the last five years

(Rs. in million)

Particulars		For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Equity Share Capital (Rs.in Million)		2,807.42	2,371.66	2,371.54	2,371.54	2,371.54
Face Value Per Equity Share (Rs.)	(a)	10.00	10.00	10.00	10.00	10.00
Interim Dividend on Equity Shares (Rs per Equity Share)	(b)	2.75	2.75	2.75	2.50	2.50
Total interim dividend on Equity Shares (Rs.in Million)		652.79	652.17	652.17	592.89	592.89
Dividend Declared Rate (In %)	(c=b/a)	27.50%	27.50%	27.50%	25.00%	25.00%
Dividend tax (gross) on interim dividend (Rs.in Million)		132.89	130.21	132.78	108.07	100.76

Dividend paid to the preference shareholders of our Company over the last five years.

(Rs. in million)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
Preference Share Capital (Rs in Million)	-	1,183.34	3,250.00	3,250.00	-
Face Value per Preference Share (Rs.)	10.00	10.00	10.00	10.00	-
Total dividend on Preference Shares (Rs in Million)	159.16	140.39	278.75	35.97	-
Dividend tax (gross) on preference dividend (Rs.in Million)	32.40	24.52	34.11	-	-

Mechanism for redressal of investor grievances

The agreement between the Registrar to the Issue and our Company dated November 22, 2018, provides for settling of investor grievances in a timely manner and provides for retention of records with the Registrar to the Issue for a period of at least eight years from the last date of dispatch of the allotment advice, demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances. All grievances relating to the Issue may be addressed to the Registrar to the Issue or Compliance Officer of the Company giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the details of Member of Syndicate or Trading Member of the Stock Exchange where the application was submitted. The contact details of Registrar to the Issue are as follows:

Link Intime India Private Limited

Address: C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083

Tel.: + 91 22 4918 6200;

Fax: + 91 22 4918 6195;

Email: iifl.ncd2018@linkintime.co.in;

Investor Grievance Email: iifl.ncd2018@linkintime.co.in;

Website: www.linkintime.co.in;

Contact Person: Shanti Gopalkrishnan

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 Agreement and continue to do so during the period it is required to maintain records under the RTA Regulations and the 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 fifteen (15) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a fortnightly basis to our Company and similar status reports will also be provided to our Company as and when required. Gajendra Thakur has been appointed as the Company Secretary and Compliance Officer of our Company for this Issue. The details of the Company Secretary and Compliance Officer for the purposes of this Issue are set out below:

Gajendra Thakur

Address: 12A-10, 13th floor, Parinee Crescenzo,
G Block, C-38 and C-39, Bandra Kurla Complex,
Bandra – East, Mumbai- 400051

Tel.: +91 22 6788 1000

Fax: +91 22 6788 1010

Email: governance@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.

M/s. Deloitte Haskins & Sells LLP was appointed as the statutory auditors of our Company with effect from July 22, 2017, pursuant to the Annual General Meeting of the Shareholders held on July 22, 2017.

Previously, M/s. Sharp and Tannan Associates, was the statutory auditors of our Company.

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 this Tranche I Prospectus with ROC and the date of release of the statutory advertisement, will be included in the statutory advertisement

Auditors' Remarks

Nil

Trading

The Equity Shares of the Company are not listed on any of the recognised stock exchanges. Debt securities issued by our Company, which are listed on BSE and NSE Wholesale Debt Market are infrequently traded with limited or no volumes. Consequently, there has been no material fluctuations 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 Statement from the Issuer

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

SECTION IV - 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 12A-10, 13th Floor, Parinee Crescenzo, G Block, C-38 and C-39, Bandra Kurla Complex, Bandra - East, Mumbai 400 051, Maharashtra, India. between 10 am to 5 pm on any Working Day (Monday to Friday) during which issue is open for public subscription under the Tranche I Prospectus.

MATERIAL CONTRACTS

1. Issue Agreement dated November 22, 2018 between our Company and the Lead Managers.
2. Registrar Agreement dated November 22, 2018 between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated November 2, 2018 executed between our Company and the Debenture Trustee.
4. Undertaking by our Company dated January 11, 2019 for execution of Debenture Trust Deed.
5. Tripartite agreement dated November 28, 2007 among our Company, the Registrar and CDSL.
6. Tripartite agreement dated December 20, 2007 among our Company, the Registrar and NSDL.
7. Lead Broker Agreement dated January 11, 2019 executed between our Company, Lead Managers and Lead Brokers to this Tranche I Issue.
8. Public Issue Account Agreement dated January 11, 2019 executed between our Company, Lead Managers, Refund Bank, Public Issue Account Bank and the Registrar to this Tranche I Issue.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.
2. Certificate of Incorporation of our Company dated July 7, 2004, issued by Registrar of Companies, Mumbai.
3. Fresh Certificate of Incorporation of our Company dated July 10, 2007, issued by Registrar of Companies, Mumbai, consequent upon conversion from private limited to public limited company.
4. Fresh Certificate of Incorporation of our Company dated November 18, 2011, issued by Registrar of Companies, Mumbai, consequent upon change of name of the Company.
5. Certificate of Registration dated May 12, 2005 bearing registration no. B-13.01792 issued by the Reserve Bank of India.
6. Copy of shareholders' resolution approved at the EGM dated March 23, 2018 under Section 180(1)(c) of the Companies Act, 2013 on overall borrowing limits of the Board of Directors of our Company.
7. Copy of the resolution approved by the Board of Directors dated October 31, 2018, approving the issue of NCDs.
8. Copy of the resolution approved by the Finance Committee at its meeting held on November 23, 2018, approving the Draft Shelf Prospectus.
9. Copy of the resolution approved by the Finance Committee at its meeting held on January 11, 2019, approving the Shelf Prospectus and this Tranche I Prospectus.

10. Letter dated October 31, 2018, along with a revalidation letter dated January 9, 2019 by Brickworks Ratings India Private Limited assigning a rating of 'BWR AA+/Stable (pronounced as BWR Double A Plus with Stable outlook)' for the Issue with rating rationale.
11. Letter dated November 1, 2018 along with a revalidation letter dated January 9, 2019 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.
12. Letter dated October 31, 2018 along with a revalidation letter dated January 9, 2019 by ICRA Limited assigning a rating of 'ICRA AA (Stable) (pronounced as ICRA Double A)' for the Issue with rating rationale.
13. Consents of the Directors, Chief Financial Officer, Company Secretary and Compliance Officer, Lead Managers, Lead Brokers, Legal Advisor to the Issue, ICRA Limited as the agency issuing the industry report, Credit Rating Agencies, Bankers to the Company, Registrar to the Issue, the Debenture Trustee for the NCDs, Public Issue Account Bank, and Refund Bank to include their names in this Tranche I Prospectus, in their respective capacities.
14. Consent of the Statutory Auditors of the Company dated January 11, 2019, for inclusion of their name as an expert in respect of their (a) report dated November 13, 2018 on the Reformatted Summary Standalone and Consolidated Financial Statements and (b) report dated October 31, 2018 on the Limited Review Financial Statements in the form and context in which they appear in this Tranche I Prospectus.
15. Consent of the M/s Pritesh Mehta & Co. Chartered Accountant, for inclusion of their name as an expert in respect of their statement of tax benefits dated November 13, 2018.
16. The examination report dated November 13, 2018 in relation to the Reformatted Summary Standalone Financial Statements.
17. The examination report dated November 13, 2018 in relation to the Reformatted Summary Consolidated Financial Statements.
18. The limited review report dated October 31, 2018 in relation to the Limited Review Financial Statements.
19. Statement of tax benefits dated November 13, 2018 issued by M/s Pritesh Mehta & Co., Chartered Accountants.
20. Annual Report of our Company for the last five Fiscals and Limited Reviewed Financial statements for the six months period ended September 30, 2018.
21. In-principle listing approval from BSE by its letter no. DCS/BM/PI-BOND/17/18-19 dated December 4, 2018.
22. In-principle listing approval from NSE by its letter no. NSE/LIST/68203 dated December 4, 2018.
23. Due Diligence Certificate dated January 11, 2019 filed by the Lead Managers with SEBI.
24. Investment Agreement entered into between our Company and CDC Group Plc dated July 20, 2016.
25. Trademark License Agreement entered into between our Company and IIFL Holdings Limited dated August 19, 2016.
26. Indian Retail Non-Banking Finance Market Report dated June, 2018 prepared by ICRA Research Services, a division of ICRA Limited.

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 applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, relevant provisions of Companies Act, 1956, as applicable 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 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 in connection with the Issue have been complied with and no statement made in this 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 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, misleading and that this Tranche I Prospectus does not contain any misstatement.

SIGNED BY THE DIRECTORS

Nirmal Bhanwarlal Jain

DIN: 00010535

Designation: Wholtime Director

Venkataraman Rajamani

DIN: 00011919

Designation: Wholtime Director

Sumit Bali

DIN: 02896088

Designation: Executive Director and Chief Executive Officer

Nagarajan Srinivasan

DIN: 01480303

Designation: Non-Executive Director

Vijay Kumar Chopra

DIN: 02103940

Designation: Independent Director

Nilesh Shivji Vikamsey

DIN: 00031213

Designation: Independent Director

Geeta Mathur

DIN: 02139552

Designation: Independent Director

Place: Mumbai

Date: January 11, 2019

ANNEXURE A – BRICKWORK RATING AND RATIONALE

ANNEXURE B – CRISIL RATING AND RATIONALE

ANNEXURE C – ICRA RATING AND RATIONALE

ANNEXURE D – DEBENTURE TRUSTEE CONSENT LETTER

**ANNEXURE E - ILLUSTRATION FOR GUIDANCE IN RESPECT OF THE DAY COUNT CONVENTION
AND EFFECT OF HOLIDAYS ON PAYMENTS**