



L&T FINANCE LIMITED

Our Company was incorporated at Kolkata as Apeejay Finance Group Private Limited on November 24, 1993 as a private limited company under the Companies Act, 1956, as amended, with registration no. 2160810 and was granted a certificate of incorporation by the Registrar of Companies, West Bengal at Kolkata ("RoC"). Upon conversion of our Company from private limited to public limited, the name of our Company was changed to Apeejay Finance Group Limited and a fresh certificate of incorporation consequent upon change of name was granted by the RoC on February 14, 1994. The name of our Company was further changed to Family Credit Limited and a fresh certificate of incorporation was granted by the RoC on July 12, 2007. The name of our Company was further changed to L&T Finance Limited and a fresh certificate of incorporation was granted by the RoC on March 17, 2017 pursuant to the scheme of amalgamation effective from February 13, 2017. Our Company is registered as a non-deposit accepting non-banking financial company with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934 bearing registration number B-05.06200. For further details, see the chapter titled "History, Main Objects and Key Agreements" on page 131 of the Shelf Prospectus. The Corporate Identification Number of our Company is U65910WB1993FLC060810.

Registered Office: 7th Floor, Technopolis, A- Wing, Plot No. - 4, Block - BP, Sector -V, Salt Lake, Kolkata 700 091, West Bengal

Tel: 033-66111800

Corporate Office: Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra

Tel: +91 22 6212 5000; **Fax:** +91 22 6212 5553

Company Secretary and Compliance Officer: Mr. Gufran Ahmed Siddiqui; **Tel:** +91 22 6212 5000; **Fax:** +91 22 6212 5553

E-mail: investorgrievances@lts.com; **Website:** www.lts.com

PUBLIC ISSUE BY L&T FINANCE LIMITED ("COMPANY" OR THE "ISSUER") OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 (INDIAN RUPEES ONE THOUSAND) EACH ("SECURED NCDs") FOR AN AMOUNT OF ₹ 500 CRORES ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 1000 CRORES AGGREGATING UP TO 1,50,00,000 SECURED NCDs AMOUNTING TO ₹ 1500 CRORES ("TRANCHE I ISSUE LIMIT") ("TRANCHE I ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹ 5000 CRORES AND IS BEING OFFERED BY WAY OF THIS TRANCHE I PROSPECTUS DATED DECEMBER 9, 2019 CONTAINING INTER ALIA THE TERMS AND CONDITIONS OF TRANCHE I ISSUE ("TRANCHE I PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED DECEMBER 9, 2019 ("SHELF PROSPECTUS") FILED WITH THE REGISTRAR OF COMPANIES, KOLKATA, WEST BENGAL ("ROC"), STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"). THE SHELF PROSPECTUS AND TRANCHE I PROSPECTUS CONSTITUTE THE PROSPECTUS "PROSPECTUS". THIS TRANCHE I ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED (THE "SEBI DEBT REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED AND TO THE EXTENT NOTIFIED.

PROMOTER

Our promoter is L&T Finance Holdings Limited. For further details see the chapter titled "Our Promoter" on page 145 of the Shelf Prospectus.

GENERAL RISKS

For taking an investment decision, investors must rely on their own examination of the Issuer and the Tranche I Issue, including the risks involved. Specific attention of the Investors is invited to the sections titled "Risk Factors" on page 20 of the Shelf Prospectus and "Material Developments" on page 160 of the Shelf Prospectus and on page 58 of this Tranche I Prospectus. 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.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

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

For the details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount & Eligible Investors of the Secured NCDs, see chapter titled "Terms of the Issue" on page 58 of this Tranche I Prospectus. For details relating to eligible investors please see "Issue Procedure" on page 71 of this Tranche I Prospectus.

CREDIT RATING

The NCDs proposed to be issued under this Issue have been rated "CRISIL AAA/Stable" (pronounced as CRISIL triple A with Stable outlook) for an amount of ₹ 5000 crores, by CRISIL Limited ("CRISIL") vide their letter dated November 14, 2019 and further revaluated vide revaluation letter dated December 5, 2019, CARE AAA / Stable (pronounced as CARE triple A with Stable Outlook) for an amount of ₹ 5,000 crores, by CARE Ratings Ltd. ("CARE") vide their letter dated November 15, 2019 and further revaluated vide revaluation letter dated December 6, 2019 and IND AAA / Stable (pronounced as IND triple A with Stable outlook) for an amount of ₹ 5,000 crores, by India Ratings and Research Private Limited ("India Ratings") vide their letter dated November 18, 2019. The rating of NCDs by CRISIL, CARE and India Ratings indicate that instruments with this rating are considered to have highest degree of safety regarding timely servicing of financial obligations and carry lowest credit risk. For the rating letter and rationale for these ratings, see Annexure A, Annexure B and Annexure C of this Tranche I Prospectus. This rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. This rating is subject to revision or withdrawal at any time by the assigning rating agencies and should be evaluated independently of any other ratings.

LISTING

The NCDs offered through this Tranche I Prospectus are proposed to be listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). Our Company has received an 'in-principle' approval from the BSE vide their letter no. DCS/BM/PI-BOND/13/19-20 dated December 5, 2019 and from NSE vide their letter no. NSE/LIST/96778 dated December 5, 2019. For the purpose of the Issue, NSE shall be the Designated Stock Exchange.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated November 26, 2019 was filed with BSE and NSE, pursuant to the provisions of the SEBI Debt Regulations was open for public comments for a period of seven Working Days from the date of filing of the Draft Shelf Prospectus with the BSE and NSE.

LEAD MANAGERS TO THE ISSUE



EDELWEISS FINANCIAL SERVICES LIMITED

Edelweiss House
Off CST Road, Kalina, Mumbai 400 098
Maharashtra, India
Tel: +91 22 4086 3535
Fax: +91 22 4086 3610
Email: Ltfinance.Ncds@edelweissfin.com
Investor Grievance Email: customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Mr. Lokesh Singh
Compliance Officer: Mr. B. Renganathan
SEBI Registration No.: INM000010650
CIN: L99999MH1995PLC094641



A. K. CAPITAL SERVICES LIMITED

30-38 Free Press House, 3rd Floor,
Free Press Journal Marg, 215, Nariman Point,
Mumbai 400021
Maharashtra, India
Tel: +91 22 6754 6500
Fax: +91 22 6610 0594
Email: lftfinance.ncd2019@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Ms Aanchal Wagle / Mr. Lokesh Shah
Compliance Officer: Mr. Tejas Davda
SEBI Registration No.: INM000010411
CIN: L74899MH1993PLC274881



TRUST INVESTMENT ADVISORS PRIVATE LIMITED

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



JM FINANCIAL LIMITED

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Mabhadavi, Mumbai 400 025,
Maharashtra, India
Tel: +91 22 6630 3030
Fax: +91 22 6630 3330
Email: LTF.bondissue2019@jmfml.com
Investor Grievance Email: grievance.ibd@jmfml.com
Website: www.jmfml.com
Contact Person: Ms. Prachee Dhuri
Compliance Officer: Mr. Sunny Shah
SEBI Registration No.: INM000010361
CIN: L67120MH1986PLC038784

DEBENTURE TRUSTEE



IDBI Trusteeship Services Ltd

TRUSTEESHIP SERVICES LIMITED**
Asian Building,
Ground Floor, 17, R. Kamani Marg,
Ballard Estate,
Mumbai - 400001
Tel: +91 (22) 40807000
Fax: 66311776/40807080
Email: itsl@idbitrustee.com
Investor Grievance Email: response@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Mr. Dinesh Ladwa
SEBI Registration No.: IND000000460
CIN: U65991MH2001GOI131154

REGISTRAR TO THE ISSUE



LINK INTIME INDIA PRIVATE LIMITED

C- 101, 247 Park
LBS Marg, Vikhroli (West)
Mumbai- 400083, Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
Email: ncd3.ltfm2019@linkintime.co.in
Investor Grievance Email: ncd3.ltfm2019@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
Compliance Officer: Mr. B. N. Ramakrishnan
SEBI Registration Number: INR000004058
CIN: U67190MH1999PTC118368

ISSUE PROGRAMME*

TRANCHE I ISSUE OPENS ON: Monday, December 16, 2019

TRANCHE I ISSUE CLOSES ON: Monday, December 30, 2019

*This Tranche I Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the authorised signatory(ies) as authorised by the Board of Directors of our Company pursuant to the resolution dated July 19, 2019 ("Authorised Personnel"). In the event of an early closure or extension of the Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier or extended date of Tranche I Issue closure. Applications Forms for the Tranche I Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by BSE and NSE, on Working Days during the Tranche I Issue Period. On the Tranche I Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE and NSE.

** IDBI Trusteeship Services Limited has by its letter dated November 21, 2019 given its consent for its appointment as Debenture Trustee to the Issue pursuant to regulation 4(4) of the Debt Regulations and for its name to be included in this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue. See Annexure D of the Shelf Prospectus
A copy of the Shelf Prospectus and this Tranche I Prospectus has been filed with the Registrar of Companies, Kolkata, West Bengal, 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 chapter titled "Material Contracts and Documents for Inspection" on page 107 of this Tranche I Prospectus.

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SECTION I-GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, all references in this Tranche I Prospectus to “**the Issuer**”, “**our Company**”, “**the Company**” or “**L&T Finance Limited**” are to L&T Finance Limited, a non-banking financial company incorporated under the Companies Act, 1956, as amended and replaced from time to time, having its registered office at 7th Floor, Technopolis, A- Wing, Plot No. - 4, Block - BP, Sector -V, Salt Lake Kolkata - 700091 West Bengal. Unless the context otherwise indicates, all references in this Tranche I Prospectus to “we” or “us” or “our” are to our Company.

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Tranche I Prospectus, and references to any statute or regulations or policies includes any amendments or re-enactments thereto, from time to time.

Company related terms

Term	Description
Articles/ Articles of Association/AoA	Articles of Association of our Company, as amended.
Associate Companies	L&T Infra Debt Fund Limited and Grameen Capital India Private Limited* *As per the accounting policies of the Company, Grameen Capital India Private Limited is treated as an investment, pursuant to the Company’s investment in the preference shares of Grameen Capital India Private Limited. Further, as per Companies Act, Grameen Capital India Private Limited is treated as an associate company of our Company.
Audited Ind AS Consolidated Financial Statements	The Consolidated Balance Sheet of the Company as at March 31, 2019 and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash flows and the Consolidated Statement of Changes in Equity for the financial years ended March 31, 2019 and the summary of significant accounting policies including notes thereto prepared in accordance with Ind AS
Audited Ind AS Financial Statements	Audited Ind AS Standalone Financial Statements and Audited Ind AS Consolidated Financial Statements
Audited Ind AS Standalone Financial Statements	The Standalone Balance Sheet of the Company as at March 31, 2019 and the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Cash flows and the Standalone Statement of Changes in Equity for the financial years ended March 31, 2019 and the summary of significant accounting policies including notes thereto prepared in accordance with Ind AS
Authorised Personnel	Persons authorised to carry out certain acts in terms of the resolution of the Board dated July 19, 2019.
Board/ Board of Directors	Board of Directors of our Company or a duly constituted committee thereof.
Business Transfer Agreement	Agreement dated September 4, 2018 executed between our Company and Centrum Financial Services Limited pertaining to slump sale of the supply chain financing business of the Company
Committee of Directors	The committee constituted by our Board of Directors by a board resolution dated December 31, 2012 and as reconstituted from time to time
Corporate Office	Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra.

Term	Description
Deed of Assignment	The deed of assignment dated December 31, 2018 executed between our Company and Centrum Financial Services Limited in relation to the transfer of the supply chain business
Deferred Expenditure	Unamortised premium on loan/ debentures
Director	Director of our Company, unless otherwise specified.
Equity Shares	Equity shares of our Company of face value of ₹ 10 each.
Financial Information	Reformatted Financial Information (under IGAAP) and Audited Ind AS Financial Statements
Group Companies/ Group companies of our Company	Larsen & Toubro Limited, L&T Infrastructure Finance Company Limited, Larsen & Toubro Infotech Limited, L&T Capital Company Limited, L&T Capital Markets Limited, L&T Housing Finance Limited, L&T Investment Management Limited, L&T Financial Consultants Limited, L&T Infra Investment Partners Advisory Private Limited, L&T Infra Debt Fund Limited, L&T Electricals and Automation Limited, Metro Tunneling Group and Magtorq Private Limited *. *identified on the basis of the related party list, set out in the Annual Report of our Company for five year Financial Year ended March 31, 2019.
Independent Director(s)	The independent Director(s) on our Board, in terms of Section 2(47) and Section 149(6) of the Companies Act, 2013.
KMP	Key Managerial Personnel, as defined under the Companies Act, 2013, section 2(51), as amended 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 v. such other officer not more than one level below the directors who is in whole-time employment designed as key managerial personnel by the Board; and vi. such other officer as may be prescribed;”
Limited Review Financials / Limited Review Financial Results/ Unaudited Ind AS Interim Financial Information	The Unaudited Ind AS Standalone Interim Financial Information for the half year ended September 30, 2019 prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 (as amended for time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by Section 133 read with Sub-section (1) of section 210A of Companies Act, 2013, as amended and presented in accordance with the requirements of the SEBI LODR Regulations.
Memorandum/ Memorandum of Association/ MoA	Memorandum of Association of our Company, as amended.
Net Worth	As per Sec 2(57) of the Companies Act, 2013, Net Worth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, Deferred Expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.
Preference Shares	Preference shares of our Company of face value of ₹ 100 each.
Reformatted Consolidated Financial Information /Reformatted Consolidated Financial Information (under IGAAP)	The reformatted consolidated financial information of assets and liabilities of our Company as at March 31, 2018 and March 31, 2017 and the reformatted consolidated information of profit and loss and the reformatted consolidated information of cash flows for each of the years ended March 31, 2018 and March 31, 2017, and the summary of

Term	Description
	significant accounting policies as examined by our Company's Statutory Auditors, Deloitte Haskins & Sells LLP, Chartered Accountants. Our audited consolidated financial information as at and for the years ended March 31, 2018 and March 31, 2017 form the basis for such Reformatted Consolidated Financial Information.
Reformatted Financial Information / Reformatted Financial Information (under IGAAP)	Reformatted Consolidated Financial Information and Reformatted Standalone Financial Information.
Reformatted Standalone Financial Information /Reformatted Standalone Financial Information (under IGAAP)	The reformatted standalone statement of assets and liabilities as at March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 the reformatted standalone information of profit and loss and the reformatted standalone information of cash flows for each of the years ended March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 and the summary of significant accounting policies as examined by our Company's Statutory Auditors, Deloitte Haskins and Sells LLP, Chartered Accountants. The audited standalone financial statements as at and for the years ended March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 form the basis for such Reformatted Standalone Financial Information.
Registered Office	7th Floor, Technopolis, A- Wing, Plot No. - 4, Block - BP, Sector -V, Salt Lake Kolkata -700091 West Bengal.
RoC/Registrar of Companies	Registrar of Companies, Kolkata, West Bengal
Scheme of Amalgamation	The merger of L&T Finance Limited and L&T Fincorp Limited with Family Credit Limited (now known as L&T Finance Limited) as approved by the High Court at Calcutta vide its order dated November 28, 2016, with effect from the appointed date as per the scheme of amalgamation (being April 1, 2016) and by the NCLT, Mumbai Bench, vide its order dated January 24, 2017. The Scheme of Amalgamation was filed with the ROC on February 13, 2017.
Shareholders	The holders of the Equity Shares from time to time
Statutory Auditors/Auditors	Deloitte Haskins and Sells LLP, Chartered Accountants.
Trademark License Agreement	Agreement dated December 1, 2010 executed inter alia between L&T and L&T Finance Limited read together with the Amendment Agreement dated March 31, 2015 executed inter alia between L&T, L&T Finance Limited and L&T Fincorp Limited
Transition Services Agreement	Agreement dated September 4, 2018 executed between our Company and Centrum Financial Services Limited

Issue related terms

Term	Description
"ASBA" or "Application Supported by Blocked Amount" or "ASBA Application" or "Application"	The application (whether physical or electronic) used by an ASBA Applicant to make an Application by authorizing the SCSB to block the bid amount in the specified bank account maintained with such SCSB.
A.K. Capital	A. K. Capital Services Limited
Abridged Prospectus	A memorandum containing the salient features of Shelf Prospectus and this Tranche I Prospectus
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, the issue and allotment of the NCDs pursuant to this Tranche I Issue to the successful Allottees.
Allottee(s)	The successful Applicant to whom the NCDs are Allotted either in full or part, pursuant to the Issue.

Term	Description
Applicant(s)/ Investor(s)/ ASBA Applicant	A person who applies for the issuance and Allotment of NCDs pursuant to the terms of the Draft Shelf Prospectus, Shelf Prospectus, this Tranche I Prospectus, Abridged Prospectus and the Application Form for this Tranche I Issue.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for this Tranche I Issue.
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 Shelf Prospectus and this Tranche Prospectus.
Application/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 Shelf Prospectus and this Tranche I Prospectus(es).
ASBA Account	An account maintained with an SCSB which will be blocked by such SCSB to the extent of the appropriate Application Amount of an ASBA Applicant.
ASBA Circular	Circular no. CIR/DDHS/P/121/2018 issued by SEBI on August 16, 2018.
Banker(s) to the Issue	Collectively the Public Issue Account Bank(s) and Refund Bank
Base Issue Size	₹500 crores
Basis of Allotment	The basis on which NCDs will be allotted to applicants under the Tranche I Issue and which is described in “ <i>Issue Procedure – Basis of Allotment</i> ” on page 71 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 Consortium, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Trading Members are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com .
BSE	BSE Limited.
CARE	CARE Ratings Limited

Term	Description
Category I Investor	<ul style="list-style-type: none"> Public financial institutions scheduled commercial banks, Indian multilateral and bilateral development financial institution which are authorized to invest in the NCDs; Provident funds, pension funds with a minimum corpus of ₹ 2,500 lakh, superannuation funds and gratuity funds, which are authorized to invest in the NCDs; Mutual Funds registered with SEBI; Resident Venture Capital Funds/ Alternative Investment Fund registered with SEBI, subject to investment conditions applicable to them under Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; Insurance Companies registered with IRDA; 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, a nonbanking financial company registered with the Reserve Bank of India and having a Net Worth of more than ₹ 50,000 lakh as per the last audited financial statements; and 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.
Category II Investor	<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; Public/private charitable/ religious trusts which are authorised to invest in the NCDs; Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; Partnership firms in the name of the partners; Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); Association of Persons; and Any other incorporated and/ or unincorporated body of persons.
Category III Investor	High Net-worth individuals which include Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10 lakhs across all series of NCDs in Issue.
Category IV Investor	Retail Individual Investors which include Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 10 lakhs across all series of NCDs in Issue.
CDP/ Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996 and registered with SEBI and who is eligible to procure Applications at the Designated CDP Locations.
CIBIL	TransUnion CIBIL Limited
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations.
Consortium Agreement	Agreement dated December 9, 2019 between our Company, the Lead Managers and the Consortium Members.

Term	Description
Consortium Members	<ul style="list-style-type: none"> • Edelweiss Securities Limited • A K. Stockmart Private Limited • Trust Securities Services Private Limited • Trust Financial Consultancy Services Private Limited • JM Financial Services Limited
Consortium/ Members of the Consortium (each individually, a member of the consortium)	The Lead Managers and Consortium Members
Credit Rating Agencies	For the present Issue, the credit rating agencies, being CRISIL, CARE and India Ratings
CRISIL	CRISIL Limited
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(s)	The trust deed to be entered between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements, including creation of appropriate security, in favour of the Debenture Trustee for the Secured NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs and the interest due thereon issued pursuant to the Issue.
Debenture Trustee Agreement	The agreement dated November 22, 2019 entered into between the Debenture Trustee and our Company.
Debenture Trustee/ Trustee	Debenture Trustee for the Debenture Holders, in this Issue being IDBI Trusteeship Services Limited
Debenture(s) / NCD(s)	Secured, Redeemable, Non-Convertible Debentures of face value ₹ 1,000/- each (Secured NCDs) and/or Unsecured Subordinated Non-Convertible Debentures of face value ₹ 1,000/- each (Unsecured NCDs), proposed to be issued under this Issue. The Unsecured NCDs will be in the nature of Subordinated Debt and will be eligible for Tier II Capital.
Debt Application Circular(s)	Circular no. CIR/IMD/DF – 1/20/ 2012 issued by SEBI on July 27, 2012 and Circular no. CIR/DDHS/P/121/2018 issued by SEBI on August 16, 2018.
Deemed Date of Allotment	The date on which the Authorised Personnel approve the Allotment of the NCDs for this Tranche I Issue or such date as may be determined by the Authorised Personnel or such other person notified to the 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.
Demographic Details	The demographic details of an Applicant, such as his address, occupation, bank account details, Category, PAN for printing on refund orders which are based on the details provided by the Applicant in the Application Form.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository(ies)	National Securities Depository Limited (NSDL) and /or Central Depository Services (India) Limited (CDSL).
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Applications and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time.

Term	Description
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the respective websites of the Stock Exchange (www.bseindia.com and www.nseindia.com) as updated from time to time.
Designated Date	The date on which Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the Public Issue Account(s) or to the Refund Account, as appropriate, in terms of the Shelf Prospectus and this Tranche I Prospectus and the Public Issue Account Agreement.
Designated Intermediary(ies)	Collectively, the Lead Managers, the Consortium Members, brokers, agents, SCSBs, Registered Brokers, CDPs and CRTAs, who are authorised to collect Application Forms from the Applicants in the Issue.
Designated RTA Locations	Such locations of the CRTAs where Applicants can submit the Application Forms to CRTAs. The details of such Designated CRTA Locations, along with names and contact details of the CRTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchange.
Designated Stock Exchange	NSE.
Direct Online Application	The Application made using the online interface and online payment facility of the Stock Exchange, as applicable. This facility is available only for demat account holders who wish to hold the NCDs pursuant to the Issue in dematerialized form.
DP / Depository Participant	A depository participant as defined under the Depositories Act.
Draft Shelf Prospectus	The Draft Shelf Prospectus dated November 26, 2019, filed by our Company with BSE and NSE for receiving public comments, in accordance the Regulation 6(2) of the SEBI Debt Regulations and forwarded to SEBI for record purpose.
Edelweiss	Edelweiss Financial Services Limited.
ICRA	ICRA Limited
India Ratings	India Ratings and Research Private Limited.
Interest Payment Date/ Coupon Payment Date	Please see the section titled “ <i>Terms of the Issue</i> ” on page 58 of this Tranche I Prospectus
Issue	Public issue by L&T Finance Limited of secured redeemable non-convertible debentures of face value of ₹ 1,000 (Indian Rupees One Thousand) each (“Secured NCDs”) and/ or unsecured, subordinated, redeemable non-convertible debentures of face value of ₹ 1,000 (Indian Rupees One Thousand) each (“ Unsecured NCDs ”) for an amount up to ₹ 5000,00,00,000 (Indian Rupees Five Thousand Crores) (“ Shelf Limit ”). The Unsecured NCDs will be eligible for Tier II capital. The Secured NCDs and/ or Unsecured NCDs are together hereinafter referred as “Debentures / NCDs”. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in respective Tranche Prospectus, which should be read together with the Draft Shelf Prospectus and the Shelf Prospectus (collectively the “ Offer Document ”).
Issue Agreement	The Issue Agreement dated November 25, 2019 entered between our Company and the Lead Managers.
JM Financial	JM Financial Limited
L&T	Larsen & Toubro Limited.
Lead Managers/ LMs	Edelweiss Financial Services Limited, A. K. Capital Services Limited, Trust Investment Advisors Private Limited and JM Financial Limited.
Market Lot	1 (one) NCD.
NSE	National Stock Exchange of India Limited.

Term	Description
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue.
Offer Document	The Draft Shelf Prospectus, Shelf Prospectus, this Tranche I Prospectus and Abridged 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, Public Issue Account Agreement, Consortium Agreement and/or other intermediaries for the purpose of this Issue including but not limited to the Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Registrar Agreement, the Agreement with the Lead Managers. For further details see the chapter titled “ Material Contracts and Documents for Inspection ” on page 107 of this Tranche I Prospectus.
Promoter	L&T Finance Holdings Limited.
Public Issue Account	Account(s) opened with the Bankers to the Issue to receive monies from the ASBA Accounts on the Designated Date as specified for this Tranche I Prospectus.
Public Issue Account Agreement	Agreement dated December 9, 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	IndusInd Bank Limited
Record Date	<p>The record date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption or such other date as may be determined by the Board of Directors 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.</p> <p>In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company will be deemed as the Record Date.</p>
Redemption Amount	Please see the section titled “ <i>Terms of the Issue</i> ” on page 58 of this Tranche I Prospectus
Redemption Date	Please see the section titled “ <i>Terms of the Issue</i> ” on page 58 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 and as specified in this Tranche I Prospectus.
Refund Bank(s)	IndusInd Bank Ltd
Register of Debenture Holders	The Register of Debenture Holders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013.
Registered Brokers or Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and the stock exchanges having nationwide terminals, other than the Consortium and eligible to procure Applications from Applicants.

Term	Description
Registrar Agreement	Agreement dated November 22, 2019 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue.
Registrar to the Issue/ Registrar	Link Intime India Private Limited.
Secured Debenture Holder (s) /Secured NCD Holder(s)	The holders of the Secured NCDs whose name appears in the database of the Depository and/or the register of Secured NCD Holders (if any) maintained by our Company if required under applicable law.
Secured NCDs	Secured Redeemable Non-Convertible Debentures of face value of ₹ 1,000/- each.
Self Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account, a list of which is available on http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html or at such other website as may be prescribed by SEBI from time to time.
Series/ Option	Collectively the Series/Options of NCDs being offered to the Applicants as stated in the section titled “ <i>Issue Related Information</i> ” beginning on page 53 of this Tranche I Prospectus.
Shelf Limit	The aggregate limit of the Issue, being ₹ 5,000 crores to be issued under the Shelf Prospectus through one or more Tranche Issues.
Shelf Prospectus	The Shelf Prospectus that shall be filed by our Company with the SEBI, BSE, NSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations.
Simplified Listing Agreement	The Listing Agreement entered into between our Company and the relevant stock exchange(s) in connection with the listing of the debt securities of our Company.
Specified Cities/Specified Locations	Bidding Centres where the Consortium shall accept Application Forms from Applicants a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Stock Exchange	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 the NBFC. 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> <p>up to one year 100%</p> <p>more than one year but up to two years 80%</p> <p>more than two years but up to three years 60%</p> <p>more than three years but up to four years 40%</p> <p>more than four years but up to five years 20%</p> <p>to the extent such discounted value does not exceed fifty per cent of Tier I capital.</p>
Syndicate ASBA	Applications through the Syndicate or the Designated Intermediaries.
Syndicate ASBA Application Locations	ASBA Applications through the Lead Managers, Consortium Members, brokers or the Trading Members of the Stock Exchange or the Designated Intermediaries.
Syndicate Bidding Centres	Syndicate Bidding Centres established for acceptance of Application Forms.

Term	Description
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised Intermediaries or at such other website as may be prescribed by SEBI from time to time.
Tenor	Please see the section titled “ <i>Terms of the Issue</i> ” on page 58 of this Tranche I Prospectus.
Tier I capital	Tier I capital means owned fund as reduced by investment in shares of other non-banking financial companies and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten per cent of the owned fund; and perpetual debt instruments issued by a non-deposit taking non-banking financial company 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 (including that for standard assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; and (f) perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent the aggregate does not exceed Tier-I capital.
Trading Members	Intermediaries registered with a Broker under the SEBI (Stock Brokers) Regulations, 1992 and/or with the Stock Exchange under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchange from time to time and duly registered with the Stock Exchange for collection and electronic upload of Application Forms on the electronic application platform provided by the Stock Exchange.
Tranche Issue	Issue of the NCDs pursuant to the respective Tranche Prospectus.
Tranche I Issue	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 (Indian Rupees One Thousand) each (“Secured NCDs”) for an amount of ₹ 500 Crores (“ Base Issue Size ”) with an option to retain oversubscription up to ₹ 1,000 Crores aggregating up to 1,50,00,000 Secured NCDs amounting to ₹ 1,500 Crores (“Tranche I Issue Limit”) (“Tranche I Issue”) which is within the Shelf Limit of ₹ 5,000 Crores and is being offered by way of this Tranche I Prospectus dated December 9, 2019 containing inter alia the terms and conditions of Tranche I issue (“ Tranche I Prospectus ”), which should be read together with the Shelf Prospectus dated December 9, 2019 (“ Shelf Prospectus ”) filed with the registrar of companies, Kolkata, West Bengal, (“ ROC ”), Stock Exchanges and Securities and Exchange Board of India (“ SEBI ”). The Shelf Prospectus and Tranche I Prospectus constitutes the prospectus “ Prospectus ”).
Tranche I Issue Closing Date	Monday, December 30, 2019
Tranche I Issue Opening Date	Monday, December 16, 2019

Term	Description
Tranche I Issue Period	The period between the Tranche I Issue Opening Date and the Tranche I Issue Closing Date inclusive of both days, during which prospective Applicants may submit their Application Forms.
Transaction Registration Slip or TRS or Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Tripartite Agreements	Tripartite agreement dated June 24, 2016 among our Company, the Registrar and CDSL and tripartite agreement dated May 31, 2012 among our Company, the Registrar and NSDL.
Trust	Trust Investment Advisors Private Limited.
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.
Unsecured NCDs	NCDs offered under the Issue which are rated, subordinated, redeemable, non-convertible debentures and are not secured by any charge on the assets of Issuer and which will be eligible for Tier II capital.
Wilful Defaulter	A Person or a company categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes a company whose director or promoter is categorized as such.
Working Day(s)/ Business Day(s)	Working Day(s) shall mean all days excluding Saturdays and Sundays or a holiday of commercial banks in Mumbai, except with reference to Tranche I 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 exchanges excluding Sundays and bank holidays as per the SEBI Circular CIR/DDHS/P/121/2018 dated August 16, 2018, however, with reference to payment of interest/redemption of NCDs, Working Days shall mean all days, excluding Saturdays, Sundays and public holidays in India or bank holidays in Mumbai.

Conventional and general terms or abbreviation

Term/Abbreviation	Description/ Full Form
₹ or Rupees or ₹ or Indian Rupees or INR or Rs.	The lawful currency of India
ACH	Automated Clearing House
AGM	Annual General Meeting
ALCO/ Asset Management Committee	Assets Liability Management Committee
AML	Anti Money Laundering
AS	Accounting Standards issued by Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
Bankruptcy Code	The Insolvency and Bankruptcy Code, 2016
Billion	100,00,00,000 (One hundred crores)
CAR	Capital Adequacy Ratio
CDSL	Central Depository Services (India) Limited
CEIC	Census Economic Information Centre
Code of Criminal Procedure/ CrPC	Code of Criminal Procedure, 1973
Companies Act	Companies Act, 1956 and Companies Act, 2013, as applicable
Companies Act, 2013	Companies Act, 2013, as amended and, to the extent in force pursuant to the notification of sections by the Ministry of Corporate Affairs, Government of India as of the date of this Tranche I Prospectus, along with the relevant rules made thereunder

Term/Abbreviation	Description/ Full Form
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have an effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
CPC	Code of Civil Procedure, 1908
CRAR / CAR	Capital to Risk-Weighted Assets Ratio/ Capital Adequacy Ratio
Crore	1,00,00,000 (One hundred lakhs)
CSR	Corporate Social Responsibility
Depositories Act	Depositories Act, 1996, as amended read with regulations framed thereunder
Depository(ies)	CDSL and NSDL
DIN	Director Identification Number
DP ID	Depository Participant's Identity Number
DP/ Depository Participant	Depository Participant as defined under the Depositories Act, 1996
DRR	Debenture Redemption Reserve
DSA	Direct Sales Agent
ECS	Electronic Clearing Scheme
ESOP	Employee Stock Option Scheme
Expected Credit Loss /ExCL	ExCL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original effective interest rate.
FDI	Foreign Direct Investment
FDI Policy	The Government policy and the regulations (including the applicable provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000) issued by the Government of India prevailing on that date in relation to foreign investments in our Company's sector of business as amended from time to time
FEMA	Foreign Exchange Management Act, 1999, as amended
Financial Year / FY/ Fiscal/Fiscal Year	Period of 12 months ended March 31 of that particular year
FIR	First Information Report
GDP	Gross Domestic Product
GoI or Government	Government of India
Gross NPAs/GNPAs	Aggregate of receivable from financing business considered as non-performing assets (secured and unsecured which has been shown as part of short term loans and advances and long term loans and advances) and non performing quoted and unquoted credit substitute forming part of stock in trade. Gross NPA is also referred to as GNPAs
GST	Goods and Services Tax
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
IMF	International Monetary Fund
Income Tax Act or IT Act	Income Tax Act, 1961
Ind AS	Indian accounting standards (Ind AS) as per Companies (Indian Accounting Standards) Rules, 2015, as amended notified under section 133 of the Act and other relevant provisions of the Act
India	Republic of India
Indian GAAP/ IGAAP	Accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014
IPC	Indian Penal Code, 1860
IRDA	Insurance Regulatory and Development Authority

Term/Abbreviation	Description/ Full Form
IT	Information Technology
KYC	Know Your Customer
KYC Norms	Customer identification procedure for opening of accounts and monitoring transactions of suspicious nature followed by NBFCs for the purpose of reporting it to appropriate authority
LTV	Loan to value
MCA	Ministry of Corporate Affairs, GoI
Million	10,00,000 (Ten lakhs)
MoF	Ministry of Finance, GoI
N.I. Act	Negotiable Instruments Act, 1881, as amended
NACH	National Automated Clearing House
NBFC	Non Banking Financial Company, as defined under applicable RBI guidelines
NBFC-ND-SI	Systemically Important Non deposit taking NBFC, regulated by the RBI guidelines
NEFT	National Electronic Fund Transfer
NRI or Non-Resident Indian	A person resident outside India, as defined under the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934 as amended
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
Stage 1 Assets	Stage 1 Assets includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date as defined under Ind AS
Stage 1 Provision	Stage 1 provision are 12-month ExCL resulting from default events that are possible within 12 months after the reporting date as defined under Ind AS
Stage 2 Assets	Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment as defined under Ind AS
Stage 2 Provision	Stage 2 provision are life time ExCL resulting from all default events that are possible over the expected life of the financial instrument as defined under Ind AS
Stage 3 Assets	Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under Ind AS
Stage 3 Provision	Stage 3 provision are life time ExCL resulting from all default events that are possible over the expected life of the financial instrument as defined under Ind AS

Business/ Industry related terms

Term/Abbreviation	Description/ Full Form
AMC	Asset Management Company
AUM	Asset Under Management (meaning total adjusted Loans & Advances)
ECBs	External Commercial Borrowing.

Term/Abbreviation	Description/ Full Form
FCNR	Foreign Currency Non-Resident.
IFC	Infrastructure Finance Company.
IRDA	Insurance Regulatory and Development Authority.
ISO	International Organization for Standardization.
LIC	Life Insurance Corporation of India
LTV	Loan to value ratio
MICR	Magnetic Ink Character Recognition.
MoU	Memorandum of Understanding.
NPAs	Non-Performing Assets.
RBI	Reserve Bank of India.
UTI	Unit Trust of India.
WCDL	Working Capital Demand Loan.
XIRR	Internal rate of return for irregular cash flows.
Yield	Ratio of interest income to the daily average of interest earning assets.

Notwithstanding anything contained herein, capitalised terms that have been defined in the chapters titled “**Capital Structure**”, “**Regulations and Policies**”, “**History, Main Objects and Key Agreements**”, “**Statement of Tax Benefits**”, “**Our Management**”, “**Financial Indebtedness**”, “**Outstanding Litigation and Defaults**” and “**Issue Procedure**” on pages 60, 241, 131, 67, 135, 165, 202 and 285, respectively will have the meanings ascribed to them in such sections of the Shelf Prospectus.

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

Certain Conventions

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

Presentation of Financial Information

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

Our Company’s financial statements for the year ended March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 have been prepared in accordance with Indian GAAP including the Accounting Standards notified under the Companies Act read with General Circular 15/2013 dated September 13, 2013 and/or General Circular 8/2014 dated April 4, 2014, as applicable. With effect from April 01, 2018, as per the roadmap issued by the Ministry of Corporate Affairs for Non-Banking Finance Companies dated January 18, 2016, for financial reporting purposes, our Company has followed the Accounting Standards issued by the ICAI specified under Section 133 of the Companies Act, 2013, read with Rule 3 and/or Rule 7 of the Companies (Indian Accounting Standard) Rules, 2015 (“**Ind AS**”), as applicable.

The Audited Ind AS Consolidated Financial Statements and Audited Ind AS Standalone Financial Statements collectively referred to hereinafter as the “Audited Ind AS Financial Statements” and the audit reports on the Audited Ind AS Financial Statements as issued by our Company’s Statutory Auditor, Deloitte Haskins & Sells LLP, Chartered Accountants, are included in the Shelf Prospectus in the section titled “**Financial Information**” beginning at page 158 of the Shelf Prospectus.

The Reformatted Standalone Financial Information and the Reformatted Consolidated Financial Information are included in the Shelf Prospectus and collectively referred to hereinafter as the “**Reformatted Financial Information**”. The examination reports on the Reformatted Financial Information as issued by our Company’s Statutory Auditor, Deloitte Haskins & Sells LLP, Chartered Accountants, are included in the Shelf Prospectus in the chapter titled “**Financial Information**” beginning at page 159 of the Shelf Prospectus.

The unaudited standalone financial results of our Company for the six months period ended September 30, 2019 submitted to the Stock Exchange pursuant to the requirements of SEBI LODR Regulations (“**Unaudited Ind AS Interim Financial Information**”) are included in the Shelf Prospectus in the chapter titled “**Financial Information**” beginning at page 159 of the Shelf Prospectus.

Unless stated otherwise or unless context requires otherwise, the financial data used in this Tranche I Prospectus for the financial year ended on March 31, 2019 and for the six months ended September 2019 and is derived from the Audited Ind AS Standalone Financial Statements and Unaudited Ind AS Interim Financial Information.

Unless stated otherwise or unless context requires otherwise, the financial data used in this Tranche I Prospectus is derived from our Company’s Reformatted Financial Information as at and for the years ended March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 prepared in accordance with the Accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014.

Unless stated otherwise or unless context requires otherwise, the financial data used in this Tranche I Prospectus as at March 31, 2019 and September 30, 2019 is prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standard) Rules, 2015 (as amended for time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by Section 133 read with Sub-section (1) of section 210A of Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

Further, the financial data and numbers used in this Tranche I Prospectus are under Ind AS and IGAAP, as

specifically mentioned in this Tranche I Prospectus and is not strictly comparable.

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

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

Unless stated otherwise, macroeconomic and industry data used throughout 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.

The extent to which the market and industry data used in this Tranche I Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. The methodologies and assumptions may vary widely among different industry sources. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources. We have relied on the CRISIL Industry Report for industry related data that has been disclosed in the Shelf Prospectus. Accordingly, no investment decision should be made solely on the basis of such information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those disclosed in ***"Internal Risk Factor no. 50 – We have not independently verified certain data in the Shelf Prospectus"*** on page no. 41 of the Shelf Prospectus.

While we have compiled, extracted and reproduced data from external sources, including third parties, trade, industry or general publications, we accept responsibility for accurately reproducing such data. However, neither we nor the Lead Managers have independently verified this data and neither we nor the Lead Managers make any representation regarding the accuracy of such data. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither we nor the Lead Managers can assure potential investors as to their accuracy.

Currency and Unit of Presentation

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

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, 2019 prepared under Ind AS, may not be comparable with financial statements of previous years prepared under Indian GAAP.

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

Industry and Market Data

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

Exchange Rates

The exchange rates (in ₹) of the USD for the respective dates are provided below:

Currency	September 30, 2019	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
USD	70.69	69.44	65.04	64.84	66.33	62.59

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

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

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

In this Tranche I Prospectus, any discrepancy in any table between total and the sum of the amounts listed are due to rounding off.

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 statements contained in this Tranche I Prospectus that are not statements of historical fact constitute “forward-looking statements” and are not forecasts or projections relating to our Company’s financial performance. 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 to differ materially from our expectations include, among others:

- our ability to manage our credit quality;
- interest rates and inflation in India;
- volatility in interest rates for our lending and investment operations as well as the rates at which our Company borrows from banks/financial institution;
- general, political, economic, social and business conditions in Indian and other global markets;
- our ability to successfully implement our strategy, growth and expansion plans;
- competition from our existing as well as new competitors;
- change in the government regulations;
- availability of adequate debt and equity financing at commercially acceptable terms;
- performance of the Indian debt and equity markets;
- demand for our products and services;
- performance of the new and pre-owned vehicles industry;
- OEM and employee relationships;
- our ability to comply with certain specific conditions prescribed by the GoI in relation to our business changes in laws and regulations applicable to companies in India, including foreign exchange control regulations in India; and
- other factors discussed in the Shelf Prospectus, including under the section titled “**Risk Factors**” on page 20 of the Shelf Prospectus.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the chapters titled “**Our Business**”, “**Risk Factors**” and “**Outstanding Litigations and Defaults**” on pages 103, 20 and 202 respectively of the Shelf Prospectus. 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 our Company believes that the expectations reflected in such forward-looking statements are reasonable as of the date of this Tranche I Shelf Prospectus, our Company cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our 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 us are expressly qualified in their entirety by reference to these cautionary statements.

Neither our Company, its Directors and its officers, nor any of their respective affiliates or associates, Lead Managers nor any of its Directors and its officers have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI Debt Regulations, our Company, the Lead Managers will ensure that investors in India are informed of material developments between the date of filing the Shelf Prospectus and this Tranche I Prospectus with the ROC and the date of the Allotment.

INTRODUCTION

GENERAL INFORMATION

Our Company was incorporated at Kolkata as Apeejay Finance Group Private Limited on November 24, 1993 as a private limited company under the Companies Act, 1956, as amended, with registration no. 2160810 and was granted a certificate of incorporation by the Registrar of Companies, West Bengal at Kolkata (“RoC”). Upon conversion of our Company from private limited to public limited, the name of our Company was changed to Apeejay Finance Group Limited and a fresh certificate of incorporation consequent upon change of name was granted by the RoC on February 14, 1994. The name of our Company was further changed to Family Credit Limited and a fresh certificate of incorporation was granted by the ROC on July 12, 2007. The name of our Company was further changed to L&T Finance Limited and a fresh certificate of incorporation was granted by the ROC on March 17, 2017 pursuant to the scheme of amalgamation effective from February 13, 2017. Our Company is registered as a non-deposit accepting non-banking financial company with the Reserve Bank of India under Section 45-IA of the Reserve Bank of India Act, 1934 bearing registration number B-05.06200.

Registered Office

7th Floor, Technopolis,
A- Wing, Plot No. - 4,
Block - BP, Sector -V,
Salt Lake, Kolkata,
West Bengal 700 091, India.
Tel: 033-66111800
E-mail investorgrievances@ltfs.com
Website: www.ltfs.com
PAN No.: AACCA1963B
LEI No.: 3358004EZG8QSJOAC830

Corporate and Head Office

Brindavan, Plot No. 177, C.S.T. Road,
Kalina, Santacruz (East), Mumbai - 400098,
Maharashtra, India.
Tel: +91 22 6212 5000;
Fax: +91 22 6212 5553;
E-mail: investorgrievances@ltfs.com
Website: www.ltfs.com

Registration

Corporate Identification Number: U65910WB1993FLC060810 issued by the RoC and LEI No.: 3358004EZG8QSJOAC830. Our Company holds a certificate of registration dated September 03, 2007 bearing number B-05.06200 issued initially by the RBI to carry on the activities of a NBFC under section 45 IA of the RBI Act, 1934 and pursuant to the change of the name of our Company to L&T Finance Limited, a fresh certificate of registration dated May 04, 2017 bearing number B-05.06200 has been issued by RBI in lieu of the earlier certificate.

Chief Financial Officer

Mr. Manish Jethwa
L&T Finance Limited
Brindavan Building, Plot No 177,
Vidyanagari Marg, CST Road, Kalina Santacruz (E),
Mumbai 400 098
Tel: +91 022 6212 5000
Fax: +91 022 6212 5553
E-mail: investorgrievances@ltfs.com

Company Secretary and Compliance Officer

The details of the person appointed to act as Company Secretary and Compliance Officer for the purposes of this Issue are set out below:

Mr. Gufran Ahmed Siddiqui

Company Secretary and Compliance Officer

Brindavan Building, Plot No 177,
Vidyanagari Marg, CST Road, Kalina Santacruz (E),
Mumbai 400 098
Tel: +91 022 6212 5000
Fax: +91 022 6212 5553
E-mail: investorgrievances@ltfs.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, refund orders, or interest on application money etc.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, or Compliance Officer 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 where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue or Compliance Officer 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 may be addressed directly to the 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
E-mail: ltfinance.ncds@edelweissfin.com
Investor Grievance Email: customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Mr. Lokesh Singhi
Compliance Officer: Mr. B. Renganathan
SEBI Registration No.: INM0000010650
CIN: L99999MH1995PLC094641

A. K. Capital Services Limited

30-38, Free Press House, 3rd Floor,
Free Press Journal Marg,
215, Nariman Point,
Mumbai – 400 021
Tel: +91 22 6754 6500
Fax: + 91 22 6610 0594
Email: ltfinance.ncd2019@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Ms. Aanchal Wagle/Mr. Lokesh Shah
Compliance Officer: Mr. Tejas Davda
SEBI Registration No.: INM000010411
CIN: L74899MH1993PLC274881

Trust Investment Advisors Private Limited

109/110, Balarama, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051
Tel: (+91 22) 4084 5000
Fax: +91 22 4084 5066
Email: projectvajra@trustgroup.in
Investor Grievance Email: customercare@trustgroup.in
Website: www.trustgroup.in
Contact Person: Ms. Hani Jalan
Compliance Officer: Mr. Ankur Jain
SEBI Registration No.: INM000011120
CIN: U67190MH2006PTC162464

JM Financial Limited

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025,
Maharashtra, India
Tel: +91 22 6630 3030
Fax: +91 22 6630 3330
Email: LTF.bondissue2019@jmfl.com
Investor Grievance Email: grievance.ibd@jmfl.com
Website: www.jmfl.com
Contact Person: Ms. Prachee Dhuri
Compliance Officer: Mr. Sunny Shah
SEBI Registration No.: INM000010361
CIN: L67120MH1986PLC038784

Consortium Members**Edelweiss Securities Limited**

2nd Floor, MB Towers, Plot No. 5,
Road No. 2, Banjara Hills,
Hyderabad – 500 034,
Telangana, India
Email: Prakash.boricha@edelweissfin.com, Amit.dalvi@edelweissfin.com
Contact Person: Mr. Prakash Boricha, Mr. Amit Dalvi
Telephone: +91 22 6747 1342/ 1343
Website: www.edelweissfin.com / www.edelweiss.in
Compliance officer: Mr. Atul Bapna
Investor Grievance Email: helpdesk@edelweiss.in
SEBI Registration No.: INZ000166136
CIN: U67110AP1993PLC052266

A. K. Stockmart Private Limited

30-39, Free Press House, 3rd Floor,
Free Press Journal Marg,
215, Nariman Point,
Mumbai – 400 021
Tel: +91 22 6754 6500
Fax: + 91 22 6610 4666
Email: ankit@akgroup.co.in / ranjit.dutta@akgroup.co.in
Investor Grievance Email: investorgrievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Mr. Ankit Gupta/ Mr. Ranjit Dutta
Compliance Officer: Mr. Ankit Gupta
SEBI Registration No.: INZ000240830
CIN: U67120MH2006PTC158932

Trust Securities Services Private Limited

1101, Naman Centre, G Block,
Bandra Kurla Complex,
Bandra East, Mumbai 400051
Tel: +91 22 4084 5000
Fax: +91 22 4084 5007
Email: avani.dalal@trustgroup.in
Investor grievance email: grievances@trustgroup.in
Website: www.trustgroup.in
Contact person: Ms. Avani Dalal
Compliance Officer: Mr. Sanyog Murdia
SEBI Registration No: BSE: INZ000158031
CIN: U65929MH2016PTC287266

Trust Financial Consultancy Services Private Limited

1101, Naman Centre, G Block, C-31,
Bandra Kurla Complex,
Bandra East, Mumbai 400051
Tel: +91 22 4084 5000
Fax: +91 22 4084 5007
Email: pranav.inamdar@trustgroup.in
Investor grievance email: grievances@trustgroup.in
Website: www.trustgroup.in
Contact person: Mr. Pranav Inamdar
Compliance Officer: Mr. Rajesh Nag
SEBI Registration No: INZ000238639
CIN: U67120MH2002PTC135942

JM Financial Services Limited

Ground Floor, 2,3 and 4,
Kamanwala Chambers,
Sir. P.M. Road, Fort,
Mumbai – 400 001
Tel: +91 22 6136 3400
E-mail: surajit.misra@jmfl.com/Deepak.vaidya@jmfl.com/
tn.kumar@jmfl.com/sona.verghese@jmfl.com
Website: www.jmfinancialservices.in
Contact person: Mr. Surajit Misra/ Mr. Deepak Vaidya/Mr. T N Kumar/ Ms. Sona Verghese
SEBI Registration No: INZ000195834
CIN: U67120MH1998PLC115415

Debenture Trustee:**IDBI Trusteeship Services Limited**

Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001
Tel: +91 22 4080 7000
Fax: 66311776/40807080
E-mail: itsl@idbitrustee.com
Investor Grievance Email: response@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Mr. Dinesh Ladwa
SEBI Registration No.: IND000000460
CIN: U65991MH2001GOI131154

Registrar:**Link Intime India Private Limited**

C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai 400 083, Maharashtra, India
Tel: +91 22 4918 6200
Fax: +91 22 4918 6195
Email: ncd3.ltfm2019@linkintime.co.in
Investor Grievance mail: ncd3.ltfm2019@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
Compliance Officer : B. N Ramakrishnan
SEBI Registration Number: INR000004058
CIN: U67190MH1999PTC118368

Statutory Auditor:

M/s. Deloitte Haskins & Sells LLP
Indiabulls Finance Centre Tower 3, 27th- 32nd Floor,
Senapati Bapat Marg, Elphinstone Road (West), Mumbai: 400013
Tel: +91 22 6185 4000
Fax: +91 22 6185 4601
E-mail: rkbhatt@deloitte.com
Contact Person: Mr. Rupen K. Bhatt
Firm Registration No.: 117366W/W-100018

Date of appointment as Statutory Auditor: June 15, 2016

Credit Rating Agencies:**CRISIL Limited**

CRISIL House, Central Avenue,
Hiranandani Business Park, Powai,
Mumbai- 400 076
Tel: 91-22-3342 3000 (B)
Fax: 91-22-3342 3050
E-mail: crisilratingdesk@crisil.com
Website: www.crisil.com
Contact Person: Krishnan Sitaraman
SEBI Registration No.: IN/CRA/001/1999
CIN: L67120MH1987PLC042363

CARE Ratings Ltd

4th Floor, Godrej Coliseum, Somaiya Hospital Road,
Off. Eastern Express Highway, Sion (E), Mumbai - 400 022
Tel: 91-22- 6754 3456
Fax: 91-22- 6754 3457 / 67
E-mail: ravi.kumar@careratings.com
Website: www.careratings.com
Contact Person: Mr. Ravi Kumar Dasari
SEBI Registration No.: IN/CRA/004/1999
CIN: L67190MH1993PLC071691

India Ratings and Research Private Limited

Wockhardt Towers, 4th floor, Bandra Kurla Complex,
Bandra East, Mumbai 400051
Tel: +91 22 4000 1700
Fax: +91 22 4000 1701

E-mail: shrikant.dev@indiaratings.co.in
Website: www.indiaratings.co.in
Contact Person: Mr. Shrikant Dev
Compliance Officer: Mr. Shrikant Dev
SEBI Registration No.: IN/CRA/002/1999
CIN: U67100MH1995FTC140049

Legal Advisor to the Issue:

Khaitan & Co

One Indiabulls Centre,
13th Floor, Tower 1,
841 Senapati Bapat Marg
Mumbai- 400 013
Tel: +91 22 6636 5000
Fax: +91 22 6636 5050

Bankers to the Issue

Public Issue Account Bank and Refund Bank:

IndusInd Bank Ltd

Shop No 2/3, Atlanta Building,
Ground Floor, Nariman Point,
Mumbai 400 021
Tel: 022 4368071
Fax: NA
Email: indusind.com
Website: <https://www.indusind.com/>
Contact Person: Mr. Indrajoy Bhattacharya
SEBI Registration No.: INBI00000002

Bankers to our Company

BNP Paribas

BNP Paribas House, 1, North
Avenue, Maker Maxity, Bandra
-Kurla Complex, Bandra (East),
Mumbai – 400051
Tel: 022 61965093
Email:
sonal.shah@asia.bnpparibas.com
Contact Person: Ms Sonal Shah
Website: www.bnpparibas.co.in

Oriental Bank of Commerce

Large Corporate Branch
No. 63, Dr. Radhakrishnan Salai
Mylapore, Chennai – 600 004
Tel: 044 2466 1075, 24661073
Email: bm1043@obc.co.in
Contact Person: Mr. E Venkateshwarlu
Website: www.obcindia.co.in

Punjab & Sind Bank

27/29 Ambalal Doshi Marg Fort,
Mumbai 400023
Tel: 022 2265 8721, 022 2269 3438
Fax: 022 2265 1752
Email: b0385@psb.co.in
Contact Person: Mr Mukesh Verma
Website: www.psbindia.com

Punjab National Bank

Large Corporate Branch Rayala
Towers, 3rd Floor, # 781-785
Anna Salai Chennai 600002
Tel: 044 2888 5801
Fax: -
Email: bo0305@pnb.co.in
Contact Person: Mr Kumar
Shikhar Srivastava
Website: www.pnbindia.in

RBL Bank

One India Bulls Centre, Tower 2B, 6th
Floor, 841 Senapati Bapat Marg, Lower
Parel (West),
Mumbai - 400013
Tel: 022 4302 0927
Email: Sumant.Paul@rblbank.com
Contact Person: Mr Sumant Paul
Website: www.rblbank.com

Standard Chartered Bank

5th Floor, Crescenzo, C-38/39, G Block,
Bandra Kurla Complex, Bandra (East),
Maharashtra, 400051
Tel: 022 4265 8211
Email: Praveen.agarwal@sc.com
Contact Person: Mr Praveen Agarwal
Website: www.sc.com/in/

State Bank of India

Corporate Accounts Group
Branch, Neville House, 3rd
Floor, J.N. Heredia Marg,
Ballard Estate, Mumbai,

Syndicate Bank

SyndicateBank Large Corporate Branch,
Maker Towers, 2nd Floor, Maker Tower
'E' Wing, Cuffe Parade, Mumbai -
400005

The Bank of Nova Scotia

Global Banking & Markets, 91-94, 3
North Avenue, Maker Maxity,
Bandra Kurla Complex, Bandra East,
Mumbai - 400051

Maharashtra 400001
Tel: 022 6154 2667
Fax: 022 6154 2802
Email:
amt4.09995@sbi.co.in
Contact Person: Relationship
Manager AMT-4
Website: <https://sbi.co.in/>

The South Indian Bank Ltd
G 8 Embassy Centre, 207 -
Nariman Point, Mumbai, India -
400 021
Tel: 022 2284 4133
Fax: 022 22026423
Email: br0194@sib.co.in
Contact Person: Mr Hrishikesh
Sawant
Website:
www.southindianbank.com

Deutsche Bank AG
14th Floor, The Capital, C70 G
Block, Bandra Kurla Complex,
Mumbai- 400051
Tel: 022-7180 4444
Fax: 022 7180 4192
Contact Person: Mr BimalDeep
Singh
Website:
www.deutschebank.co.in

Bank of America
18th Floor, A-wing, One BKC, G
- Block, Bandra Kurla Complex,
Bandra East, Mumbai 400051
Tel: 022 6632 3112
Fax: 022 6646 6075
Email: Bhawna.setia@bofa.com
Contact Person: Ms. Bhawna
Setia
Website: www.bofa-india.com

Central Bank of India
Corporate Finance Branch, 1st
Floor, MMO Building, Fort,
Mumbai-400 01
Tel: 022 4078 5839
Fax: 022 4078 5838
Email:
agmcfb3007@centralabnk.co.in,
cfbcbi@gmail.com
Contact Person: Mr A.S
Cooper
Website:
www.centralbankofindia.co.in

Tel: 022 2216 6649/22163984
Fax: 022 2218 5798
Email:
br.5088@syndicatebank.co.in
Contact Person: Lakhbir Singh (Dy
General Manager)

Website: www.syndicatebank.in

Union Bank of India
Industrial Finance Branch, Union Bank
Bhawan, 1st Floor, 239, Vidhan Bhavan
Marg, Nariman Point, Mumbai- 400021.
Tel: 022 2289 2094
Fax: 022 2285 5037
Email: ifbmumbai@unionbankofindia
Contact Person: Mr M Arun Kumar
(Asst. Gen. Manager)
Website: www.unionbankofindia.co.in

Axis Bank Limited
Corporate Banking Branch
12, Mittal Tower,
A Wing, Nariman Point
Mumbai - 400 021
Tel: 022 2289 5242
Fax: 022 2289 5216
Email:
cbbmumbai.branchhead@axisbank.com
Website: www.axisbank.com

Bank of Maharashtra
85-E, Maker Towers, Cuffe Parade,
Mumbai - 400005
Tel: 022 2218 3081
Fax: 022 2218 3355
Email: brmgr485@mahabank.co.in
Contact Person: Asst. General
Manager
Website: www.bankofmaharashtra.in

DBS Bank
DBS Bank, 19th Floor, Express Towers,
Nariman Point,
Mumbai 400 021
Tel: 022 66131256
Fax: 022 6752 8399
Email: paragnarula@db.com
Contact Person: Mr. Parag Narula
Website: www.dbs.com

Tel: 022 6623 5070
Fax: 022 2287 4350
Email: aditya.jain@scotiabank.com
Contact Person: Mr. Aditya Jain
Website: www.scotiabank.com

UCO Bank
Flagship Corporate Branch, 1st Floor,
Mafatlal Centre, Nariman Point,
Mumbai
Tel: 022 40549101
Fax: 02240549122
Email: mumfcc@ucobank.co.in
Contact Person: Sh. P.M. Shah
(Deputy General Manager)
Website: www.ucobank.com

Bank of Baroda
8, Meghdhoot, Junction of Linking
and Turner Road, Bandra (West),
Mumbai - 400050
Tel: 022 26453677
Fax: NA
Email:
rm2.cfsbai@bankofbaroda.com
Contact Person: Mr Dattatray
Hadpadkar
Website: www.bankofbaroda.com

**Micro Units Development &
Refinance Agency Limited
(MUDRA)**
Swavalamban Bhavan, Plot No. C-11,
G-Block
Bandra Kurla Complex
Bandra (East), Mumbai 400051
Tel: 022-67531100
Email: rkumar@mudra.org.in
Contact Person: Shri. Rajesh
Kumar, Asst. General Manager
Website: www.mudra.org.in

Barclays Bank PLC
Level 8, Ceejay House, Worli,
Mumbai – 400018
Tel: 022 6719 6000
Fax: 022 67196760
Email:
Gaurav.sharma@barclays.com/bhanu,
chauhan@barclays.com
Contact Person: Gaurav
Sharma/Bhanu Chauhan
Website: www.barclays.in

Doha Bank

Sakhar Bhavan, Ground Floor,
Plot No 230, Block No 3, Back
Bay Reclamation, Nariman
Point, Mumbai, Maharashtra
400021

Tel: 022 3394 1103

Email:

sravindran@dohabank.co.in

Contact Person: Mr S

Ravindran

Website: www.dohabank.co.in

Federal Bank

A-4, Laxmi Towers, 2nd Floor, Bandra
Kurla Complex, Bandra East, Mumbai,
Maharashtra 400051

Tel: 022 61748618

Email: abhishekp@federalbank.co.in

Contact Person: Mr. Abhishek Pawar
(Relationship Manager)

Website: www.federalbank.co.in

HDFC Bank Ltd

B Wing, 4th Floor Peninsula Business
Park, Lower Parel (West),
Mumbai – 400013.

Tel: 022 3395 8143

Fax: 022 3078 8579

Email: anant.kumar@hdfcbank.com

Contact Person: Mr Anant Kumar

Website: www.hdfcbank.com

HSBC Ltd.

52/60, M G Road,
Fort, Mumbai - 400001

Tel: 022 2268 1864

Email:

shagunahluwalia@hsbc.co.in

Contact Person: Ms. Shagun

Ahluwalia

Website: www.hsbc.co.in

Indian Bank

Corporate Branch

1st and 2nd Floor, G-41 Connaught Place
New Delhi-110001

Tel: 011 23712160, 23712165

Fax: 011 47340971

Email:

corporatebranch.delhi@indianbank.co.in

Contact Person: DGM/Branch Head

Website: www.indianbank.in

**Small Industries Development
Bank of India**

MSME Development Centre, Plot
No. C-11, G-Block, Bandra Kurla
Complex, Bandra East, Mumbai
400051

Tel: 022- 67531100

Fax: 022- 67531236

Email: Insti_marketing@sidbi.in

Contact Person: Deputy General
Manager, Institutional Finance
Vertical

Website: www.sidbi.in

International Finance**Corporation (IFC)**

2121, Pennsylvania Avenue,
N.W. Washington D.C 20433,
United States of America

Website: www.ifc.org

Self-Certified Syndicate Banks

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 <https://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 members of the Syndicate at Specified Locations, see the website of SEBI at <https://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 and the ASBA Circular, 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 Exchange at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

CRTAs / CDPs

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

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 ₹ 10 lakh or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 10 lakh or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 50 lakh or with both.

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size (i.e. ₹ 375 crores). If our Company does not receive the minimum subscription of 75% of Base Issue Size (i.e. ₹ 375 crores), 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 Account(s) of the Applicants within 6 working days from the Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar

does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular bearing no. HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

Underwriting

The Issue is not underwritten.

Arrangers to the Issue

There are no Arrangers to the Issue.

Credit Rating and Rationale

The NCDs proposed to be issued under this Issue have been rated “CRISIL AAA/Stable” (pronounced as CRISIL triple A with Stable outlook) for an amount of ₹ 5000 crores, by CRISIL Limited (“CRISIL”) vide their letter dated November 14, 2019 and further revalidated vide revalidation letter dated December 5, 2019, CARE AAA / Stable (pronounced as CARE triple A with Stable Outlook) for an amount of ₹ 5,000 crores, by CARE Ratings Ltd. (“CARE”) vide their letter dated November 15, 2019 and further revalidated vide revalidation letter dated December 6, 2019 and IND AAA / Stable (pronounced as IND triple A with Stable outlook) for an amount of ₹ 5,000 crores, by India Ratings and Research Private Limited (“India Ratings”) vide their letter dated November 18, 2019. The rating of NCDs by CRISIL, CARE and India Ratings indicate that instruments with this rating are considered to have highest degree of safety regarding timely servicing of financial obligations and carry lowest credit risk. For the rating letter and rationale for these ratings, see Annexure A, Annexure B and Annexure C of this Tranche I Prospectus. This rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. This rating is subject to revision or withdrawal at any time by the assigning rating agencies and should be evaluated independently of any other ratings. 9

The rationale for the aforementioned rating issued by CRISIL, CARE and India Ratings has been provided in Annexure A, Annexure B and Annexure C respectively of this Tranche I Prospectus.

Utilisation of Issue proceeds

For details on utilization of Issue proceeds please see the chapter titled “*Objects of this Tranche I Issue*” on page 33 of this Tranche I Prospectus.

Tranche I Issue Programme

TRANCHE I ISSUE PROGRAMME*	
TRANCHE I ISSUE OPENS ON	Monday, December 16, 2019
TRANCHE I ISSUE CLOSES ON	Monday, December 30, 2019

** The Tranche I Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Authorised Personnel, as the case maybe, subject to necessary approvals. In the event of an early closure or extension of the Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper on or before such earlier or extended date of Issue Closure. On the Tranche I Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE and NSE.*

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

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

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

MATERIAL DEVELOPMENTS

There are no material developments in relation to our Company as disclosed in the sections titled “**Risk Factors**”, “**Selected Financial Information**”, “**Capital Structure**”, “**Summary of Business**”, “**Our Business**”, “**Regulations and Policies**”, “**Our Management**”, “**History, Main Objects and Key Agreements**”, “**Financial Indebtedness**”, “**Outstanding Litigations and Material Developments**” and “**Main Provisions of the Articles of Association of the Company**” in the Shelf Prospectus which would make them misleading in any material respect. All disclosures made in this Tranche I Prospectus, read together with the Shelf Prospectus as the “**Prospectus**” with respect to Tranche I Issue are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed Issue. The 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 material facts, the omission of which makes the Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

OBJECTS OF THIS TRANCHE I ISSUE

Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 (Indian rupees one thousand) each (“**Secured NCDs**”) for an amount of ₹ 500 crores (“**Base Issue Size**”) with an option to retain oversubscription up to ₹ 1,000 crores aggregating up to 1,50,00,000 Secured NCDs amounting to ₹ 1,500 crores (“**Tranche I Issue Limit**”) (“**Tranche I Issue**”) which is within the Shelf Limit of ₹ 5,000 crores and is being offered by way of this Tranche I Prospectus dated December 9, 2019 containing inter alia the terms and conditions of Tranche I Issue (“**Tranche I Prospectus**”), which should be read together with the Shelf Prospectus dated December 9, 2019 (“**Shelf Prospectus**”).

Our Company is in the business of financing, and as part of our business operations, we raise/avail funds for onward lending, for repayment/ prepayment of borrowings and general corporate purposes.

1. Our Company proposes to utilise the funds which are being raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company (“**Net Proceeds**”), towards funding the following objects i.e. onward lending, financing, refinancing the existing indebtedness of our Company (payment of interest and/or repayment/prepayment of principal of borrowings (collectively, referred to herein as the “**Objects**”). 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 Tranche I Issue is being made pursuant to the provisions of the SEBI Debt Regulations, the Companies Act and rules made thereunder as amended to the extent notified.

The details of the Proceeds of the Tranche I Issue are set forth in the following table:

(₹ in crores)		
Sr. No.	Description	Amount
1.	Gross Proceeds of the Tranche I Issue	1,500
2.	Less: Issue Related Expenses*	16.82
3.	Net Proceeds	1,483.18

**The above 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 Utilisation of Net Proceeds

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

Sr. No.	Objects of the Fresh Issue	Percentage of amount proposed to be financed from Issue Proceeds
1.	For the purpose of onward lending, financing, refinancing the existing indebtedness of L&T Finance Limited (payment of the interest and/or repayment /prepayment of principal of borrowings)	At least 75%
2.	General Corporate Purposes*	Maximum of up to 25%
	Total	100%

**The Net Proceeds will be first utilized towards the Objects mentioned under (1) 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 Tranche I Issue, in compliance with the SEBI Debt Regulations.*

Purpose for which there is a requirement of funds

As stated in this section.

Funding plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Interim Use of Proceeds

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

General Corporate Purposes

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

Monitoring of Utilization of Funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Authorised Personnel shall monitor the utilization of the proceeds of the Tranche I Issue. For the relevant Financial Years commencing from Financial Year 2019-20, our Company will disclose in our financial statements, the utilization of the net proceeds of the Tranche I Issue under a separate head along with details, if any, in relation to all such proceeds of the Tranche I Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Our Company shall utilize the proceeds of the Tranche I Issue only upon the execution of the Debenture Trust Deed and receipt of final listing and trading approval from the Stock Exchanges.

Tranche I Issue expenses

A portion of this Tranche I Issue proceeds will be used to meet Issue expenses. The following are the estimated Issue expenses, which shall be specified in at this Tranche I Prospectus:

Particulars	Amount (₹ in crores)	As percentage of Issue proceeds (in %)	As percentage of total expenses of the Tranche I Issue (in %)
Fee Payable to Intermediaries including Registrar to the Issue and Debenture Trustees	3.08	0.21%	18.29%
Lead Managers Fee, Selling and Brokerage Commission, SCSB Processing Fee	11.19	0.75%	66.49%
Advertising and Marketing, Printing and Stationery Costs	2.26	0.15%	13.44%
Other Miscellaneous Expenses	0.30	0.02%	1.78%
Grand Total	16.82	1.12%	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/ Consortium Members/ Sub-Consortium Members/Brokers / Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of INR 15 per Application Form procured (inclusive of GST and other applicable taxes). However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee.

Other Confirmation

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 acquisition 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.

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

The Tranche I Issue proceeds shall not be used for buying, trading or otherwise dealing in equity shares of any other listed company.

The 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.

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, the acquisition of any immovable property or acquisition of securities of any other body corporate.

All monies received out of the Tranche I Issue shall be credited/ transferred to a separate bank account maintained with a Scheduled Bank as referred to in section 40(3) of the Companies Act 2013.

Details of all monies utilised out of the Tranche I Issue referred above shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilised along with details, if any, in relation to all such proceeds of the Tranche I Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Tranche I Issue.

Details of all unutilised monies out of the Tranche I Issue, 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.

We shall utilize the Tranche I Issue proceeds only upon execution of Debenture Trust Deed, receipt of the listing and trading approval from the Stock Exchange(s) as stated in this Tranche I Prospectus in the section titled “**Issue Related Information**” beginning on page 53 of this Tranche I Prospectus.

No benefit/interest will accrue to our Promoters/Directors out of the proceeds of the Tranche I Issue.

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.

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.

Variation in terms of contract or objects in Tranche I Prospectus

Our Company shall not, in terms of Section 27 of the Companies Act 2013, at any time, vary the terms of a contract referred to in this Tranche I 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.

Utilisation of the proceeds of the Tranche I Issue

- (a) All monies received out of the Tranche I Issue shall be credited/transferred to a separate bank account as referred to in Section 40 of the Companies Act, 2013.
- (b) Details of all monies utilised out of the 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 Secured 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) the details of all utilized and unutilised 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;
- (e) We shall utilize the Tranche I Issue proceeds only upon execution of the Debenture Trust Deed as stated in this Tranche I Prospectus, creation of security as stated in this Tranche I Prospectus, receipt of the listing and trading approval from the Stock Exchanges and on receipt of the minimum subscription of 75% of the Base Issue, i.e. ₹ 375 crores.
- (f) 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.

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

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

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Tranche I Issue

At the meeting of the Board of Directors of our Company, held on March 19, 2019 and July 19, 2019 the Directors approved the issue of NCDs to the public in one or more tranches, up to an amount not exceeding ₹ 15,000 crores. Further, the present borrowing is within the overall borrowing limits of ₹ 70,000 crores (Indian Rupees Seventy Thousand Crores) under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders vide their resolution dated August 14, 2019.

Prohibition by SEBI

Our Company, persons in control of our Company and/or our Directors and/or our Promoter 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 our promoter group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

Wilful Defaulter

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

Eligibility to make the Tranche I Issue

Our Company or our Promoter 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.

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, A. K. CAPITAL SERVICES LIMITED, TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND JM FINANCIAL LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS 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, A. K. CAPITAL SERVICES LIMITED, TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND JM FINANCIAL LIMITED HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 9, 2019 WHICH READS AS FOLLOWS:

- 1. WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTERS OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY THE BOARD. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER**

HAVE BEEN MADE IN THE OFFER DOCUMENT AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUE OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THE ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE WILL BE GIVEN.

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

WE CONFIRM THAT NO COMMENTS WERE RECEIVED ON THE DRAFT SHELF PROSPECTUS DATED NOVEMBER 26, 2019 FILED WITH BSE LIMITED AND NSE, NSE ALSO BEING THE DESIGNATED STOCK EXCHANGE.

DISCLAIMER CLAUSE OF THE BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN VIDE ITS LETTER NO. DCS/BM/PI-BOND/13/19-20 DATED DECEMBER 5, 2019, PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS THE STOCK EXCHANGE ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

- A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR
- B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR
- C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THIS COMPANY;

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

DISCLAIMER CLAUSE OF 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 NO. NSE/LIST/96778 DATED DECEMBER 5, 2019, PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER.

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

DISCLAIMER CLAUSE OF THE RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED MAY 04, 2017 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934. HOWEVER, THE RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/ DISCHARGE OF LIABILITY BY THE COMPANY.

DISCLAIMER CLAUSE OF CRISIL FOR INDUSTRY REPORT

CRISIL RESEARCH, A DIVISION OF CRISIL LIMITED (CRISIL) HAS TAKEN DUE CARE AND CAUTION IN PREPARING THIS REPORT (REPORT) BASED ON THE INFORMATION OBTAINED BY CRISIL FROM SOURCES WHICH IT CONSIDERS RELIABLE (DATA). HOWEVER, CRISIL DOES NOT GUARANTEE THE ACCURACY, ADEQUACY OR COMPLETENESS OF THE DATA/ REPORT AND IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS OR FOR THE RESULTS OBTAINED FROM THE USE OF DATA / REPORT. THIS REPORT IS NOT A RECOMMENDATION TO INVEST / DISINVEST IN ANY ENTITY COVERED IN THE REPORT AND NO PART OF THIS REPORT 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 THIS REPORT. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NOTHING IN THE REPORT 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. L&T FINANCE LIMITED WILL BE RESPONSIBLE FOR ENSURING COMPLIANCES AND CONSEQUENCES OF NON-COMPLIANCES FOR USE OF THE REPORT OR PART THEREOF OUTSIDE INDIA. CRISIL RESEARCH OPERATES INDEPENDENTLY OF AND DOES NOT HAVE ACCESS TO INFORMATION OBTAINED BY CRISIL'S RATINGS DIVISION/ CRISIL RISK AND INFRASTRUCTURE SOLUTIONS LTD (CRIS), WHICH MAY, IN THEIR REGULAR OPERATIONS, OBTAIN INFORMATION OF A CONFIDENTIAL NATURE. THE VIEWS EXPRESSED IN THIS REPORT ARE THAT OF CRISIL RESEARCH AND NOT OF CRISIL'S RATINGS DIVISION / CRIS. NO PART OF THIS REPORT MAY BE PUBLISHED/REPRODUCED IN ANY FORM WITHOUT CRISIL'S PRIOR WRITTEN APPROVAL

DISCLAIMER CLAUSE OF CRISIL FOR CREDIT RATING

THIS DISCLAIMER FORMS PART OF AND APPLIES TO EACH CREDIT RATING REPORT AND/OR CREDIT RATING RATIONALE THAT WE PROVIDE (EACH A "REPORT"). FOR THE AVOIDANCE OF DOUBT, THE TERM "REPORT" INCLUDES THE INFORMATION, RATINGS AND OTHER CONTENT FORMING PART OF THE REPORT. THE REPORT IS INTENDED FOR THE JURISDICTION OF INDIA ONLY. THIS REPORT DOES NOT CONSTITUTE AN OFFER OF SERVICES. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, NOTHING IN THE

REPORT IS TO BE CONSTRUED AS CRISIL PROVIDING OR INTENDING TO PROVIDE ANY SERVICES IN JURISDICTIONS WHERE CRISIL DOES NOT HAVE THE NECESSARY LICENSES AND/OR REGISTRATION TO CARRY OUT ITS BUSINESS ACTIVITIES REFERRED TO ABOVE. ACCESS OR USE OF THIS REPORT DOES NOT CREATE A CLIENT RELATIONSHIP BETWEEN CRISIL AND THE USER.

WE ARE NOT AWARE THAT ANY USER INTENDS TO RELY ON THE REPORT OR OF THE MANNER IN WHICH A USER INTENDS TO USE THE REPORT. IN PREPARING OUR REPORT WE HAVE NOT TAKEN INTO CONSIDERATION THE OBJECTIVES OR PARTICULAR NEEDS OF ANY PARTICULAR USER. IT IS MADE ABUNDANTLY CLEAR THAT THE REPORT IS NOT INTENDED TO AND DOES NOT CONSTITUTE AN INVESTMENT ADVICE. THE REPORT IS NOT AN OFFER TO SELL OR AN OFFER TO PURCHASE OR SUBSCRIBE FOR ANY INVESTMENT IN ANY SECURITIES, INSTRUMENTS, FACILITIES OR SOLICITATION OF ANY KIND OR OTHERWISE ENTER INTO ANY DEAL OR TRANSACTION WITH THE ENTITY TO WHICH THE REPORT PERTAINS. THE REPORT SHOULD NOT BE THE SOLE OR PRIMARY BASIS FOR ANY

INVESTMENT DECISION WITHIN THE MEANING OF ANY LAW OR REGULATION (INCLUDING THE LAWS AND REGULATIONS APPLICABLE IN THE US).

RATINGS FROM CRISIL RATING ARE STATEMENTS OF OPINION AS OF THE DATE THEY ARE EXPRESSED AND NOT STATEMENTS OF FACT OR RECOMMENDATIONS TO PURCHASE, HOLD, OR SELL ANY SECURITIES / INSTRUMENTS OR TO MAKE ANY INVESTMENT DECISIONS. ANY OPINIONS EXPRESSED HERE ARE IN GOOD FAITH, ARE SUBJECT TO CHANGE WITHOUT NOTICE, AND ARE ONLY CURRENT AS OF THE STATED DATE OF THEIR ISSUE. CRISIL ASSUMES NO OBLIGATION TO UPDATE ITS OPINIONS FOLLOWING PUBLICATION IN ANY FORM OR FORMAT ALTHOUGH CRISIL MAY DISSEMINATE ITS OPINIONS AND ANALYSIS. CRISIL RATING CONTAINED IN THE REPORT IS NOT A SUBSTITUTE FOR THE SKILL, JUDGMENT AND EXPERIENCE OF THE USER, ITS MANAGEMENT, EMPLOYEES, ADVISORS AND/OR CLIENTS WHEN MAKING INVESTMENT OR OTHER BUSINESS DECISIONS. THE RECIPIENTS OF THE REPORT SHOULD RELY ON THEIR OWN JUDGMENT AND TAKE THEIR OWN PROFESSIONAL ADVICE BEFORE ACTING ON THE REPORT IN ANY WAY. CRISIL OR ITS ASSOCIATES MAY HAVE OTHER COMMERCIAL TRANSACTIONS WITH THE COMPANY/ENTITY.

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

CRISIL RATINGS MAY RECEIVE COMPENSATION FOR ITS RATINGS AND CERTAIN CREDIT-RELATED ANALYSES, NORMALLY FROM ISSUERS OR UNDERWRITERS OF THE INSTRUMENTS, FACILITIES, SECURITIES OR FROM OBLIGORS. CRISIL'S PUBLIC RATINGS AND ANALYSIS AS ARE REQUIRED TO BE DISCLOSED UNDER THE REGULATIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (AND OTHER APPLICABLE REGULATIONS, IF ANY) ARE MADE AVAILABLE ON ITS WEB SITES, WWW.CRISIL.COM.

CRISIL AND ITS AFFILIATES DO NOT ACT AS A FIDUCIARY. WHILE CRISIL HAS OBTAINED INFORMATION FROM SOURCES IT BELIEVES TO BE RELIABLE, CRISIL DOES NOT PERFORM AN AUDIT AND UNDERTAKES NO DUTY OF DUE DILIGENCE OR INDEPENDENT VERIFICATION OF ANY INFORMATION IT RECEIVES AND / OR RELIES IN ITS REPORTS.

CRISIL KEEPS CERTAIN ACTIVITIES OF ITS BUSINESS UNITS SEPARATE FROM EACH OTHER IN ORDER TO PRESERVE THE INDEPENDENCE AND OBJECTIVITY OF THE RESPECTIVE ACTIVITY. AS A RESULT, CERTAIN BUSINESS UNITS OF CRISIL MAY HAVE INFORMATION THAT IS NOT AVAILABLE TO OTHER CRISIL BUSINESS UNITS. CRISIL HAS ESTABLISHED POLICIES AND PROCEDURES TO MAINTAIN THE CONFIDENTIALITY OF CERTAIN NON-PUBLIC INFORMATION RECEIVED IN CONNECTION WITH EACH ANALYTICAL PROCESS. CRISIL HAS IN PLACE A RATINGS CODE OF CONDUCT AND POLICIES FOR ANALYTICAL FIREWALLS AND FOR MANAGING CONFLICT OF INTEREST. FOR DETAILS PLEASE REFER TO: [HTTPS://WWW.CRISIL.COM/EN/HOME/OUR-BUSINESSES/RATINGS/REGULATORY-DISCLOSURES/HIGHLIGHTED-POLICIES.HTML](https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html)

CRISIL'S RATING CRITERIA ARE GENERALLY AVAILABLE WITHOUT CHARGE TO THE PUBLIC ON THE CRISIL PUBLIC WEB SITE, WWW.CRISIL.COM. FOR LATEST RATING INFORMATION ON ANY INSTRUMENT OF ANY COMPANY RATED BY CRISIL YOU MAY CONTACT CRISIL RATING DESK AT CRISILRATINGDESK@CRISIL.COM, OR AT (0091) 1800 267 1301. THIS REPORT SHOULD NOT BE REPRODUCED OR REDISTRIBUTED TO ANY OTHER PERSON OR IN ANY FORM WITHOUT A PRIOR WRITTEN CONSENT OF CRISIL.

DISCLAIMER STATEMENT OF CARE

CARE RATINGS ARE OPINIONS ON CREDIT QUALITY AND ARE NOT RECOMMENDATIONS TO SANCTION, RENEW, DISBURSE OR RECALL THE CONCERNED BANK FACILITIES OR TO BUY, SELL, OR HOLD ANY SECURITY. CARE HAS BASED ITS RATINGS/OUTLOOKS ON INFORMATION OBTAINED FROM SOURCES BELIEVED BY IT TO BE ACCURATE AND RELIABLE. CARE DOES NOT HOWEVER, GUARANTEE THE ACCURACY, ADEQUACY OR COMPLETENESS OF ANY INFORMATION AND IS NOT RESPONSIBLE FOR ANY ERRORS OR OMISSIONS OR FOR THE RESULTS OBTAINED FROM THE USE OF SUCH INFORMATION. MOST ENTITIES WHOSE BANK FACILITIES/INSTRUMENTS ARE RATED BY CARE HAVE PAID A CREDIT RATING FEE, BASED ON THE AMOUNT AND TYPE OF BANK FACILITIES/INSTRUMENTS.

IN CASE OF PARTNERSHIP/PROPRIETARY CONCERNS, THE RATING/OUTLOOK ASSIGNED BY CARE IS BASED ON THE CAPITAL DEPLOYED BY THE PARTNERS/ PROPRIETOR AND THE FINANCIAL STRENGTH OF THE FIRM, AT PRESENT. THE RATING/OUTLOOK MAY UNDERGO CHANGE IN CASE OF WITHDRAWAL OF CAPITAL OR UNSECURED LOANS BROUGHT IN BY THE PARTNERS/ PROPRIETORS IN ADDITION TO THE FINANCIAL PERFORMANCE AND OTHER RELEVANT FACTORS.

DISCLAIMER CLAUSE OF INDIA RATINGS

ALL CREDIT RATINGS ASSIGNED BY INDIA RATINGS ARE SUBJECT TO CERTAIN LIMITATIONS AND DISCLAIMERS. PLEASE READ THESE LIMITATIONS AND DISCLAIMERS BY FOLLOWING THIS LINK: [HTTPS://WWW.INDIARATINGS.CO.IN/RATING-DEFINITIONS](https://www.indiaratings.co.in/rating-definitions). IN ADDITION, RATING DEFINITIONS AND THE TERMS OF USE OF SUCH RATINGS ARE AVAILABLE ON THE AGE'CY'S PUBLIC WEBSITE WWW.INDIARATINGS.CO.IN. PUBLISHED RATINGS, CRITERIA, AND METHODOLOGIES ARE AVAILABLE FROM THIS SITE AT ALL TIMES. INDIA RATINGS' CODE OF CONDUCT, CONFIDENTIALITY, CONFLICTS OF INTEREST, AFFILIATE FIREWALL, COMPLIANCE, AND OTHER RELEVANT POLICIES AND PROCEDURES ARE ALSO AVAILABLE FROM THE CODE OF CONDUCT SECTION OF THIS SITE.

DISCLAIMER STATEMENT FROM THE ISSUER

THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHER THAN IN THIS TRANCHE I PROSPECTUS ISSUED BY OUR COMPANY IN CONNECTION WITH THE ISSUE OF THE NCDS AND ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT HIS / HER OWN RISK.

Track record of past public issues handled by the Lead Managers

The track record of past issues handled by the Lead Managers, as required by SEBI circular number

CIR/MIRSD/1/2012 dated January 10, 2012, are available at the following websites:

Name of Lead Manager	Website
Edelweiss Financial Services Limited	www.edelweissfin.com
A. K. Capital Services Limited	www.akgroup.co.in
Trust Investment Advisors Private Limited	www.trustgroup.in
JM Financial Limited	www.jmfl.com

Listing

The NCDs offered through this Tranche I Prospectus are proposed to be listed on both the NSE and BSE. Our Company has obtained an ‘in-principle’ approval for the Issue from the BSE *vide* their letter no. DCS/BM/PI-BOND/13/19-20 dated December 5, 2019 and from NSE *vide* their letter no. NSE/LIST/96778 dated December 5, 2019. For the purposes of the Issue, NSE shall be the Designated Stock Exchange.

Our Company shall ensure that all steps for the completion of the necessary formalities and approvals for listing and commencement of trading at the Stock Exchange mentioned above, are taken within 6 (six) Working Days from 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 within the series shall not be listed.

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer to the Issue (c) Bankers to our Company (d) Lead Manager (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) Credit Rating Agencies, (h) the Debenture Trustee (i) Chief Financial Officer, (j) CRISIL for the CRISIL Industry Report, (k) Public Issue Account Bank and Refund Bank, (l) Member of Consortium, to act in their respective capacities, have been obtained and the same will be filed along with a copy of the Shelf Prospectus and the Tranche I Prospectus with the ROC as required under Section 26 and Section 31 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of this Tranche I Prospectus with the Stock Exchange.

The consent of the Statutory Auditors of our Company dated December 9, 2019, namely Deloitte Haskins & Sells LLP, Chartered Accountants for inclusion of their name as the Statutory Auditors and to include their (i) examination reports, each dated November 25, 2019 on our Reformatted Consolidated Financial Information and our Reformatted Standalone Financial Information; (ii) Review Report dated October 18, 2019 on Unaudited Ind AS Interim Financial Information (iii) their report dated November 25, 2019 on the statement of tax benefits and (iv) Audited Ind AS Standalone Financial Statements and Audited Ind AS Consolidated Financial Statements each dated April 28, 2019 (have been obtained and has not withdrawn such consent and the same will be filed with the BSE, NSE and the RoC, along with a copy of the Shelf Prospectus and this Tranche I Prospectus.

Expert Opinion

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

- *Vide* Consent Letter dated December 9, 2019, the Statutory Auditors of our Company, have given their consent to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI Debt Regulations in this Tranche I Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as a current statutory auditor and to include their (i) examination reports, each dated November 25, 2019 on our Reformatted Consolidated Financial Information and our Reformatted Standalone Financial Information; (ii) Review Report dated October 18, 2019 on Unaudited Ind AS Interim Financial Information (iii) their report dated November 25, 2019 on the statement of tax benefits, in this Tranche I Prospectus and (iv) Audited Ind AS Standalone Financial Statements and Audited Ind AS Consolidated Financial Statements each dated April 28, 2019 and such consent has not been withdrawn as on the date of the Prospectus.

Common form of Transfer

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

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue Size (i.e. ₹ 375 crores). If our Company does not receive the minimum subscription of 75% of Base Issue Size (i.e. ₹ 375 crores), 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 Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circulars (bearing CIR/IMD/DF-1/20/2012) dated July 27, 2012.

Filing of the Draft Shelf Prospectus

A copy of the Draft Shelf Prospectus has been filed with the BSE and NSE in terms of Regulation 7 of the SEBI Debt Regulations for dissemination on their website and forwarded to SEBI for record purpose.

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

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

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI Debt Regulations, any non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Financial Year 2019-20 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche I Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

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

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

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

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, 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.

The estimated break-up of the total expenses shall be as specified in the chapter “*Objects of the Tranche I Issue*” on page 33 of this Tranche I Prospectus.

Reservation

No portion of this Issue has been reserved

Public / Rights Issues

Public / Rights Issues by our Company as on the Shelf Prospectus:

Our Company has undertaken the following public issue of the following prior to the date of the Shelf Prospectus:

Particulars	Public Issue – 2009	Public Issue – 2010	Public Issue- 2019 (Tranche I)	Public Issue- 2019 (Tranche II)
Date of Opening	August 18, 2009	February 09, 2010	March 6, 2019	April 8, 2019
Date of Closing	September 04, 2009	February 22, 2010	March 7, 2019	April 9, 2019
Total Issue Size	₹ 1,000 crores	₹ 500 crores	₹ 1,500 crore	₹ 1,000 crore
Date of Allotment	September 17, 2009	March 10, 2010	March 13, 2019	April 15, 2019
Date of Refund/ Unblocking of funds	September 17, 2009	March 11, 2010	March 14, 2019	April 15, 2019
Date of Listing	September 24, 2009	March 12, 2010	March 15, 2019	April 18, 2019
Utilisation of Proceeds	The funds raised through the above issues have been utilized for our Company's financing activities, repayment of existing loans and for its business operations including capital expenditure and working capital requirements.	The funds raised through the above issues have been utilized for our Company's financing activities, repayment of existing loans and for its business operations including capital expenditure and working capital requirements.	The funds raised through the above issues have been utilized as per the objects mentioned in the Tranche I Prospectus.	The funds raised through the above issues have been utilized as per the objects mentioned in the Tranche II Prospectus.

**Note: The aforesaid two public issues were issued by L&T Finance Limited prior to its amalgamation with Family Credit Limited (now L&T Finance Limited) pursuant to the Scheme of Amalgamation.*

Public / Rights Issues (to the public) by our Group Companies in the last 5 (five) years from the Shelf Prospectus:

Our Group Companies have undertaken the following public issues in the last 5 (five) years from the date of the Shelf Prospectus:

Name of Company	Larsen & Toubro Infotech Limited	L&T Finance Holdings Limited
Date of Opening	July 11, 2016	March 8, 2018
Date of Closing	July 13, 2016	March 13, 2018
Total Issue Size	IPO through an offer for sale by L&T comprising of 17,500,000 equity shares of face value of Re. 1 each for cash at a price of ₹ 710 per equity share (for Investors other than retail) and ₹ 700 per equity share (for retail) aggregating to ₹ 1236.375 crores	Qualified Institutions Placement of 63,051,702 equity shares of face value of ₹10 each for cash at a price of ₹158.60 per equity share aggregating to ₹ 999.99 crores
Date of Allotment	July 19, 2016	March 15, 2018
Date of Refunds/Unblocking of Funds	July 19, 2016	Not applicable
Date of Listing	July 21, 2016	March 16, 2018
Utilisation of Proceeds	The IPO being OFS by L&T, the issue proceeds was received by L&T and not by Larsen & Toubro Infotech Limited	The funds raised through the above issue has been used for repayment of loans of L&T Finance Holdings Limited and to invest in its subsidiaries for various purposes, including but not limited to fund their business growth, capital adequacy, business purposes and for general corporate purposes.

Rights Issue:

Our Company has undertaken the following rights issue of equity shares of face value of ₹10 each in the last 5 (five) years.

Date of allotment	No. of Equity Shares	Issue price (₹)	Consideration in cash/ Other than cash	Cumulative			Details of Utilisation
				No. of Equity Shares	Equity Share capital (₹)	Share premium account (₹)	
January 30, 2018	4,54,54,545	88	399,99,99,960	14,85,501,839 *	14,85,50,18,390	8,12,88,02,890	Augmentation of the share capital of our Company followed by the utilization of
March 27, 2018	11,36,36,360	88	9,99,99,99,680	1,59,9138,199	15,99,13,81,990	16,99,24,38,970	

Date of allotment	No. of Equity Shares	Issue price (₹)	Consideration in cash/ Other than cash	Cumulative			Details of Utilisation
				No. of Equity Shares	Equity Share capital (₹)	Share premium account (₹)	
							the proceeds for its business purposes by our Company

**Pursuant to the merger of L&T Finance Limited and L&T FinCorp Limited with Family Credit Limited (now L&T Finance Limited), there was an allotment of 1,235,737,684 equity shares of Rs 10 each on February 13, 2017.*

Other than as disclosed above, there are no other public / rights issues (to the public) by our Group Companies during the last 5 (five) years from the date of the Shelf Prospectus.

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

As on September 30, 2019, our Company has listed rated/ unrated, secured/ unsecured, non-convertible redeemable debentures and listed subordinated debt. For further details see chapter titled “**Financial Indebtedness**” on page 165 of the Shelf Prospectus. Our Company has not issued any preference shares as on September 30, 2019.

Dividend

Our Company has no stated dividend policy. The declaration and payment of dividends on our shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition.

The following table details the dividend declared by our Company on the equity shares for the year ended March 31, 2019, March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015.

Particulars		For the year ended March 31, 2019	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
Equity Share Capital (₹ in Cr)		1,599.14	1,599.14	1,440.05	204.31	204.31
Face Value Per Equity Share (₹)	(a)	10	10.00	10.00	10.00	10.00
Dividend on Equity Shares (₹ per equity share)	(b)	1.20	-	-	-	-
Total dividend on equity shares (₹ in Cr)		191.90	-	-*	-	-
Dividend Declared Rate (In %)	(c=b/a)	12.00%	0.00%	0.00%	0.00%	0.00%
Dividend tax (gross) on dividend (₹ in Cr)		39.44	-	-	-	-

**L&T Fincorp Limited, one of the amalgamating companies in the Scheme of Amalgamation had declared and paid an interim dividend of ₹ 140.03 crores prior to the effective date of amalgamation and our Company has incorporated the payment in its financial statements as at and for the year ended March 31, 2017 respectively.*

Revaluation of assets

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

Mechanism for redressal of investor grievances

The Registrar Agreement dated November 22, 2019 between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of despatch of the Allotment Advice, demat credit and/or refund orders 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, giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the bank branch or collection centre where the application was submitted. The contact details of Registrar to the Issue are as follows:

Link Intime India Private Limited

C 101, 247 Park, L.B.S. Marg, Vikhroli (West),

Mumbai 400 083, Maharashtra, India

Tel: +91 (22) 4918 6200

Fax: +91 (22) 4918 6195

Email: ncd3.ltfm2019@linkintime.co.in

Investor Grievance Email: ncd3.ltfm2019@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Mr. Shanti Gopalkrishnan

Compliance Officer: Mr. B. N. Ramakrishnan

SEBI Registration Number: INR000004058

CIN: U67190MH1999PTC118368

The Registrar shall endeavour to redress complaints of the investors within three (3) days of receipt of the complaint during the currency of this MoU and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed 7 (seven) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a quarterly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

The details of the person appointed to act as Compliance Officer for the purposes of this Issue are set out below:

Mr. Gufran Ahmed Siddiqui

Company Secretary and Compliance Officer

Brindavan Building, Plot No 177,

Vidyanagari Marg, CST Road, Kalina,

Santacruz, Mumbai – 400 098

Tel: +91 022 6212 5000

Fax: +91 022 6212 5553

Email: investorgrievances@lifs.com

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

Change in Auditors of our Company during the last three years

Details of change(s) in the Statutory Auditors of our Company in the last 3 (three) financial years preceding the date of the Shelf Prospectus as follows:

Name	Address	Date of appointment	Date of resignation
Deloitte Haskins & Sells LLP, (Firm Registration No. 117366W/W-100018)	Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road (West), Babasaheb Ambedkar Nagar, Lower Parel, Mumbai - 400013	June 15, 2016	-

Name	Address	Date of appointment	Date of resignation
M/s. Sharp & Tannan, Chartered Accountants (Firm Registration No.109982W)	Ravindra Annexe, 194, Churchgate Reclamation, Dinshaw Vachha Road, Mumbai - 400020. Tel no: (22) 22047722, 22047723, 22869900	December 28, 2015	June 15, 2016

Details of overall lending by our Company as of March 31, 2019

The following additional information is disclosed in the terms of Master Direction - Non-Banking Financial Company - Systematically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 issued by Reserve Bank of India vide Master Direction DNBR. PD. 008/03.10.119/2016-17 dated September 01,2016 as amended (the "RBI Master Directions").

The disclosures as required by the RBI Master Directions has been prepared after giving effect of below mentioned adjustments to the amounts reported in the financial statements:

- The amount of allowances for expected credit losses on loan assets was added to the loan asset balances and the amount of provisions on standard, non-performing and stressed loan assets was recomputed based on the Company's provisioning policy as approved by the Board of Directors read together with the RBI Master Directions;
- The interest income recognised on Stage 3 loan assets which met the definition of "non-performing asset" was reversed and the recognition was restricted to cash collection;
- The fair valuation gains recognised on long term debt instruments measured at "Fair Value Through Profit or Loss" were reversed; and
- The deferred tax relating to the adjustments listed in items (i) to (iii) above was also adjusted.

A. Type of loans:

The detailed break-up of the type of loans and advances including bills receivables given by our Company as on March 31, 2019 is as follows:

(₹ in crores)

S. No.	Type of Loans	Amount
1.	Secured (net of provision)	33,772.69
2.	Unsecured (net of provision)	14,144.56
Total		47,917.25

B. Sectoral Exposure as on March 31, 2019

S. No.	Segment-wise break-up of AUM	Percentage of AUM (%)
1	Retail	
a	Mortgages (home loans and loans against property)	0.71%
b	Gold loans	0.00%
c	Vehicle finance	27.20%
d	Micro Loans	0.00%
e	M&SME	0.33%
f	Capital market funding (loans against shares, margin funding)	0.00%
g	Others	25.54%
2	Infrastructure	
a	Infrastructure	12.21%

b	Real estate (including builder loans)	21.70%
c	Promoter funding	0.00%
d	Structured Finance Group	11.56%
e	Supply Chain finance	0.15%
f	Others	0.60%
Total		100%

C. Denomination of the loans outstanding by ticket size as on March 31, 2019:

Sl. No.	Ticket size** (in ₹)	Percentage of AUM
1.	Upto 2 Lakhs	37.31%
2.	2 to 5 Lakhs	9.50%
3.	5 to 10 Lakhs	4.60%
4.	10 to 25 Lakhs	0.34%
5.	25 to 50 Lakhs	0.31%
6.	50 lakh-1 Crores	0.42%
7.	1 - 5 Crores	1.26%
8.	5 - 25 Crores	1.80%
9.	25 - 100 Crores	8.91%
10.	Above 100 Crores	35.55%
Total		100%

D. Denomination of loans outstanding by LTV as on March 31, 2019

Sl. No.	LTV	Percentage of AUM
1.	Upto 40%	0.95%
2.	40%-50%	2.33%
3.	50%-60%	6.39%
4.	60%-70%	17.38%
5.	70%-80%	41.30%
6.	80%-90%	29.46%
7.	Above 90%	2.19%
Total		100%

*LTV at the time of origination

**LTV is provided only for Retail products: Two Wheeler and Farm Equipments

E. Geographical classification of our borrowers as on March 31, 2019

Sl. No.	Top 5 States	Percentage of AUM
1.	Maharashtra	42.15%
2.	Tamil Nadu	9.77%
3.	Telangana	7.42%
4.	Delhi	5.44%
5.	West Bengal	5.11%
Total		69.89%

F. (a) Details of top 20 borrowers with respect to concentration of advances as on March 31, 2019

(₹ in crores)

Particulars	Amount
Total advances to twenty largest borrowers	8,758.37
Percentage of advances to twenty largest borrowers to total advances to our Company	18.31%

(b) Details of top 20 borrowers with respect to concentration of exposure as on March 31, 2019:

(₹ in crores)

Particulars	Amount
Total exposure to twenty largest borrowers	10,393.78
Percentage of exposure to twenty largest borrowers to total exposure to our Company	19.54%

G. Details of loans overdue and classified as non-performing in accordance with RBI's guidelines as on March 31, 2019:

1. Movement of Gross NPAs

(₹ in crores)

Sl. No.	Particulars	Amount
1.	Opening balance	2,376.64
2.	Additions during the year	1,345.81
3.	Reductions during the year	2,023.18
4.	Closing balance	1,699.27

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

(₹ in crores)

Sl. No.	Particulars	Amount
1.	Opening balance	1,311.88
2.	Provisions made during the year	470.36
3.	Write-off / write-back of excess provisions	1,085.20
4.	Closing balance	697.04

3. Segment-wise gross NPA as on March 31, 2019

S. No	Segment-wise gross NPA	Gross NPA (%)
1	Retail	
A	Mortgages (home loans and loans against property)	0.19%
B	Gold loans	0.00%
C	Vehicle finance	35.65%
D	Micro Loans	0.00%
E	M&SME	5.57%
F	Capital market funding (loans against shares, margin funding)	0.00%
G	Others	20.99%
2	Infrastructure	
A	Infrastructure	8.85%
B	Real estate (including builder loans)	0.00%
C	Promoter funding	0.00%
D	Structured Finance Group	21.97%
E	Supply Chain finance	4.19%
F	Others	2.59%
Total		100%

*Gross NPA means percentage of NPAs to total advances in that sector.

4. Our Company has not provided any loans/advances to associates, entities/person relating to the board,

senior management, Promoter expect as provided for in the chapter titled “Related Party Transaction” on page 157 of the Shelf Prospectus.

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

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

5. **Residual/ Asset Liability Management Maturity pattern of certain items of Assets and Liabilities (As of March 31, 2019)**

(₹ in crores)

Particulars	Up to 30/31 days	Over 1 month up to 2 months	Over 2 months up to 3 months	Over 3 months up to 6 months	Over 6 months up to 1 year	Over 1 year months up to 3 years	Over 3 year months up to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances (Net)	1,214.16	1,480.62	1,641.32	4,780.44	9,614.80	15,589.71	5,819.59	6,992.12	47,132.76
Investments (Net)	1,990.10	-	40.00	-	1,851.40	-	-	684.45	4,565.95
Borrowings*	3,958.39	2,835.50	2,009.20	2,798.13	3,821.82	21,853.78	7,812.80	711.37	45,800.99
Foreign Currency Assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities*	-	-	-	107.23	-	-	-	-	107.23

*Including FCNR loan

Note: The above bucketing has been arrived at based on the extant regulatory guidelines and the policy approved by the Board of Directors at its meeting held on October 24, 2018

6. **Concentration of Exposure and NPA as of March 31, 2019**

(₹ in crores)

Particulars	Amount
Concentration of NPAs	
Total Exposure to top four NPA accounts	311.99

- Lending policy: For details on lending policy please see the chapter titled “Our Business” on page 102 of the Shelf Prospectus.
- Classification of loans/advances given to associates, entities/person relating to the board, senior management, Promoter: As disclosed in the chapter titled “Financial Information” on page 158 of the Shelf Prospectus.

Debt to equity ratio*

(₹ in crores)

Particulars	As at September 30, 2019	Post-Issue*
Debts		
Debt Securities (I)	18,977.74	20,477.74
Borrowings (Other than debt securities) (II)	24,956.01	24,956.01
Subordinated liabilities (III)	1,182.08	1,182.08
Total debts (A= I+II+III)	45,115.83	46,615.83
Shareholders’ fund		
Equity share capital (I)	1,599.14	1,599.14

Particulars	As at September 30, 2019	Post-Issue*
Other Equity (II)	7,394.59	7,394.59
Total shareholders' funds (B= I+II)	8,993.73	8,993.73
Total debt/ equity(A/B)	5.02	5.18

*Any change in total debt and Net Worth after September 30, 2019 has not been considered.

The debt to equity ratio post the Issue (assuming subscription of ₹ 1,500 crore) would be 5.18 times, the actual debt equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.

Pre-Issue Advertisement:

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

Auditor's Remarks

There are no reservations or qualifications or adverse remarks in the financial statements of our Company in the last five financial years immediately preceding the Shelf Prospectus. However, in the financials for the year ended March 31, 2017 there is emphasis of matter in standalone financial statements our Company. For further details of the aforesaid emphasis of matter in standalone financial statements, please see the chapter titled "**Risk Factors**" on page 20 of the Shelf Prospectus.

Trading

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

Caution

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

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring or subscribing for, its securities; or

(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of securities to him, or any other person in a fictitious name shall be liable for action under section 447."

SECTION III- ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The following are the details of the principal terms and conditions of the Tranche I Issue. This section should be read in conjunction with and is qualified in its entirety by further details in the sections titled “*Terms of the Issue*” and “*Issue Procedure*” on pages 58 and 71 of this Tranche I Prospectus.

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

Issuer	L&T Finance Limited
Type of instrument/ Name of the security	Secured Redeemable, Non-Convertible Debentures
Nature of Indebtedness and Ranking / Seniority	Secured Redeemable Non-Convertible Debentures.
Mode of the issue	Public issue
Lead Managers	Edelweiss Financial Services Limited, A. K. Capital Services Limited, Trust Investment Advisors Private Limited and JM Financial Limited.
Debenture Trustee	IDBI Trusteeship Services Limited
Depositories	NSDL and CDSL
Registrar	Link Intime India Private Limited
Base Issue Size	₹ 500 crores
Option to retain Oversubscription Amount	₹ 1,000 crores
Tranche I Issue/Tranche I Issue Size	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 (Indian Rupees One Thousand) each (“Secured NCDs”) for an amount of ₹ 500 Crores (“ Base Issue Size ”) with an option to retain oversubscription up to ₹ 1,000 Crores aggregating up to 1,50,00,000 Secured NCDs amounting to ₹ 1,500 Crores (“ Tranche I Issue Limit ”) (“ Tranche I Issue ”) which is within the Shelf Limit of ₹ 5,000 Crores and is being offered by way of this Tranche I Prospectus dated December 9, 2019 containing inter alia the terms and conditions of Tranche I issue (“ Tranche I Prospectus ”), which should be read together with the Shelf Prospectus dated December 9, 2019 (“ Shelf Prospectus ”) filed with the registrar of companies, Kolkata, West Bengal, (“ ROC ”), Stock Exchanges and Securities and Exchange Board of India (“ SEBI ”). The Shelf Prospectus and Tranche I Prospectus constitutes the prospectus “ Prospectus ”).
Total Issue Size/ Shelf Limit	₹ 5,000 Crores
Eligible investors	See “ <i>Issue Procedure – Who are eligible to apply for NCDs?</i> ” on page 72 of this Tranche I Prospectus
Objects of the Issue	See the chapter titled “ <i>Objects of the Issue</i> ” on page 33 of this Tranche I Prospectus
Details of utilization of the proceeds	See the chapter titled “ <i>Objects of the Issue</i> ” on page 33 of this Tranche I Prospectus.
Interest rate	Please see the section titled “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 63 of this Tranche I Prospectus
Security	The principal amount of the Secured NCDs to be issued in this Tranche I Prospectus together with all interest due on the NCDs in respect thereof shall be secured by way of exclusive charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of our Company and/or <i>pari passu</i> charge on our Company’s right, title and interest in relation to an identified immovable property, as may be decided mutually by our Company and the Debenture Trustee. Our Company will create appropriate security in favour of the Debenture Trustee for the Secured NCD Holders on the assets adequate to ensure 100% asset cover for the Secured NCDs (along with the interest due thereon). For further details see “ <i>Terms of the Issue – Security</i> ” on page 58 of this Tranche I Prospectus.

Step up/ Step down interest rates	NA
Interest type	Fixed
Interest reset process	NA
Issuance mode of the instrument	In dematerialised form only
Frequency of interest payment	Please see the section titled “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 63 of this Tranche I Prospectus
Interest payment date	Please see the section titled “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 63 of this Tranche I Prospectus
Day count basis	Actual/ Actual
Interest on application money	NA
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws
Tenor	Please see the section titled “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 63 of this Tranche I Prospectus
Redemption Date	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 53 of this Tranche I Prospectus.
Redemption Amount	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 53 of this Tranche I Prospectus.
Redemption premium/ discount	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 53 of this Tranche I Prospectus.
Issue Price (in ₹)	₹ 1,000 per NCD
Discount at which security is issued and the effective yield as a result of such discount.	NA
Put option date	NA
Put option price	NA
Call option date	NA
Call option price	NA
Put notification time	NA
Call notification time	NA
Face value	₹ 1,000/- per NCD
Minimum Application size and in multiples of NCD thereafter	₹ 10,000 (10 NCD) and in multiple of ₹ 1,000/- (1 NCD) thereafter
Market Lot/ Trading Lot	One NCD
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 “CRISIL AAA/Stable” (pronounced as CRISIL triple A with Stable outlook) for an amount of ₹ 5000 crores, by CRISIL vide their letter dated November 14, 2019 and further revalidated vide revalidation letter dated December 5, 2019, CARE AAA / Stable (pronounced as CARE triple A with Stable Outlook) for an amount of ₹ 5, 000 crores, by CARE vide their letter dated November 15, 2019 and further revalidated vide revalidation letter dated December 6, 2019 and IND AAA / Stable (pronounced as IND triple A with Stable outlook) for an amount of ₹ 5,000 crores, by India Ratings vide their letter dated November 18, 2019. The rating of NCDs by CRISIL, CARE and India Ratings indicate that instruments with this rating are considered to have highest degree of safety regarding timely servicing of financial obligations and carry lowest credit risk For the rating letter and rationale for these ratings, see Annexure A, Annexure B and Annexure C of this Tranche I Prospectus.
Listing	The NCDs are proposed to be listed on BSE & NSE. NSE shall be the Designated Stock Exchange for the Issue. The NCDs shall be listed within 6

	(six) Working Days from the date of Tranche I Issue Closing Date. For more information, see “ Other Regulatory and Statutory Disclosures – Listing ” on page 42 of this Tranche I Prospectus.
Modes of payment	See Issue Procedure – Terms of Payment ” on page 56 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	Monday, December 16, 2019
Tranche I Issue closing date**	Monday, December 30, 2019
Settlement mode of instrument	In dematerialised form only
Record date	15 (fifteen) days prior to the interest payment date, Redemption Date for NCDs issued under 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 a non Working Day, the succeeding Working Day or a date notified by our Company to the stock exchanges shall be considered as Record Date
Issue Documents/ Offer 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 Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Registrar Agreement, the Agreement with the Lead Managers. For further details see the chapter titled “ Material Contracts and Documents for Inspection ” on page 107 of this Tranche I Prospectus.
Conditions precedent to disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedents to disbursement. See “ General Information - Utilisation of Issue Proceeds ” on page 30 of this Tranche I Prospectus
Conditions subsequent to disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions subsequent to disbursement. See “ General Information - Utilisation of Issue Proceeds ” on page 30 of this Tranche I Prospectus
Events of default / cross default	See “ Terms of the Issue – Events of Default ” on page 59 of this Tranche I Prospectus
Deemed date of Allotment	The date on which the Authorised Personnel approve the Allotment of the NCDs for this Tranche I Issue or such date as may be determined by the Authorised Personnel to the 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	See “ Terms of the Issue – Trustees for the NCD holders ” on page 59 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	If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it failing on a non-Working Day. If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by our

	Company on the immediately preceding Working Day along with interest accrued on the 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.
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*** The subscription list shall remain open at the commencement of banking hours and close at the close of banking hours for the period as indicated, with an option for early closure or extension by such period, as may be decided by the Authorised Personnel duly appointed by resolution of the Board dated July 19, 2019. In the event of such early closure or extension subscription list of the Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a leading daily national newspaper on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the BSE or NSE, on Working Days during the Tranche I Issue Period. On the Tranche I Issue Closing Date, Application Forms will be accepted only from 10:00 a.m. till 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the BSE and NSE.*

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

Please refer to Schedule D for details pertaining to the cash flows of the Company in accordance with the SEBI circulars bearing numbers CIR/IMD/DF/18/2013 dated October 29, 2013 and CIR/IMD/DF-1/122/2016 dated November 11, 2016.

SPECIFIC TERMS FOR EACH SERIES OF NCDs

Terms of payment

The entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB. In the event of Allotment of a lesser amount 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 the Shelf Prospectus and this Tranche I Prospectus.

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

The NCDs have not been and will not be registered, listed or otherwise qualified in any jurisdiction outside India and may not be offered or sold, and Applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. In particular, the NCDs have not been and will not be registered under the U.S. Securities Act, 1933, as amended (the "Securities Act") or the securities laws of any state of the United States and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. The Issuer has not registered and does not intend to register under the U.S. Investment Company Act, 1940 in reliance on section 3(c)(7) thereof. This Tranche I Prospectus may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever, and in particular, may not be forwarded to any U.S. Person or to any U.S. address.

Applications may be made in single or joint names (not exceeding three). Applications should be made by Karta in case the Applicant is an HUF. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.

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

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

Series	I	II	III	IV*	V	VI
Frequency of Interest Payment	Annual	NA	Monthly	Annual	Monthly	Annual
Minimum Application	₹10,000 (10 NCDs) across all Series					
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000					
In Multiples of thereafter (₹)	₹ 1,000/- (1 NCD)					
Tenor (in months)	36	36	36	60	60	84
Coupon (% per annum) for NCD Holders in Category I & II	8.25%	NA	7.96%	8.45%	8.15%	8.50%
Coupon (% per annum) for NCD Holders in Category III & IV	8.45%	NA	8.15%	8.60%	8.29%	8.65%
Effective Yield (% per annum) for NCD Holders in Category I & II	8.24%	8.25%	8.25%	8.44%	8.45%	8.49%
Effective Yield (% per annum) for NCD Holders in Category III & IV	8.44%	8.45%	8.45%	8.59%	8.60%	8.64%
Mode of Interest Payment	Through various mode available					
Amount (Rs / NCD) on Maturity for NCD Holders in Category I & II	₹1,000	₹ 1,268.76	₹1,000	₹1,000	₹1,000	₹1,000
Amount (Rs / NCD) on Maturity for NCD Holders in Category III & IV	₹ 1,000	₹ 1,275.81	₹1,000	₹1,000	₹1,000	₹1,000
Put and Call Option	NA	NA	NA	NA	NA	NA

With respect to Options where interest is to be paid on an annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment under annual Options will be made at the time of redemption of the NCDs.

Subject to applicable tax deducted at source, if any

Please refer to Schedule D for details pertaining to the cash flows of the Company in accordance with the SEBI circular bearing number CIR/IMD/DF/18/2013 dated October 29, 2013 and CIR/IMD/DF-1/122/2016 dated November 11, 2016.

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

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

For further details, see the chapter titled “**Issue Procedure**” on page 71 of this Tranche I Prospectus.

TERMS OF THE ISSUE

GENERAL TERMS OF THE ISSUE

Authority for the Issue

At the meeting of the Board of Directors of our Company, held on March 19, 2019 read along with resolution dated July 19, 2019, the Directors approved the issue of NCDs to the public in one or more tranches, upto an amount not exceeding ₹ 15,000 crores. Further, the present borrowing is within the overall borrowing limits of ₹70,000 crores (Indian Rupees Seventy Thousand Crores) under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders vide their resolution dated August 14, 2019.

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 Shelf Prospectus, this Tranche I 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, 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 our Company 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, be secured by way of exclusive charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of our Company and/or *pari passu* charge on our Company's right, title and interest in relation to an identified immovable property, as may be decided mutually by our Company and the Debenture Trustee. Our Company will create appropriate security in favour of the Debenture Trustee for the Secured NCD Holders on the assets equal to the value one time of the debentures outstanding plus interest accrued thereon, and subject to any obligations under applicable statutory and/or regulatory requirements. The claims of the Secured NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements. The Secured NCDs proposed to be issued under this Tranche I 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.

Security

The principal amount of the Secured NCDs to be issued in terms of this Tranche I Prospectus together with all interest due on the Secured NCDs in respect thereof shall be secured by way of exclusive charge in favour of the Debenture Trustee on specific present and/or future receivables/assets of the Company and/or *pari passu* charge on our Company's right, title and interest in relation to an identified immovable property, as may be decided mutually by our Company and the Debenture Trustee. Our Company will create appropriate security in favour of the Debenture Trustee for the Secured NCD Holders on the assets adequate to ensure 100% asset cover for the Secured NCDs (along with the interest due thereon). 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 (s)

Our Company intends to enter into a Debenture Trust Deed with the Debenture Trustee for the benefit of the Secured NCD Holders, the terms of which will *inter alia* govern the powers, authorities and obligations of the Debenture Trustee. Our Company proposes to complete the execution of the Debenture Trust Deed before the Allotment of Secured NCDs.

Under the terms of the Debenture Trust Deed, our Company will covenant with Debenture Trustee that it will pay the Secured NCDs Holders the principal amount on the NCDs on the relevant redemption date and also that it will pay the interest due on the Secured NCDs at the rates specified in this Tranche I Prospectus and Debenture Trust Deed. The Debenture Trust Deed will also provide that our Company may withdraw any portion of the Security or replace with another assets of the same or higher value. However, in case of Debenture Trust Deed,

our Company reserves the right to create *pari passu* charge on the said immovable property without seeking NOC from each Secured NCDs Holders and the Debenture Trustee is empowered to issue NOC to create *pari passu* charge on the said immovable property for future issuances.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital & Debentures) Rules 2014, read with Rule 16 of the SEBI Debt Regulations, any non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Financial Year 2019-20 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR. Pursuant to the amendment to the Companies (Share Capital & Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche I Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital & Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

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

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

Face Value

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

Trustees for the Secured NCD Holders

We have appointed IDBI Trusteeship Services 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. We and the Debenture Trustee will execute the 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.

Default is committed in payment of the principal amount of the NCDs on the due date(s); and Default is committed in payment of any interest on the NCDs on the due date(s).

Secured NCD Holder not a Shareholder

The Secured 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. 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 on a specific request made to our Company.
2. Subject to 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.
3. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered Secured 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 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.
4. The Secured NCDs are subject to the provisions of the SEBI Debt Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Tranche I Prospectus, the Shelf Prospectus, the Application Forms, the Abridged Prospectus, Corrigendum if any, addendum if any, 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.
5. For the Secured NCDs issued in dematerialized form, the Depositories shall also maintain the up to date record of holders of the Secured NCDs in dematerialized Form. For Secured NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the Secured 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 and index of beneficial of Secured NCDs maintained by a Depository for any Secured NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of Secured NCD 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.
6. Subject to compliance with applicable statutory 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 Secured NCDs, 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 Offer Document and the Debenture Trust Deed.

Nomination facility to NCD Holder

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

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

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

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

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

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

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

Application in the Issue

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

Form of Allotment and Denomination of NCDs

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

For details of allotment refer to chapter titled “**Issue Procedure**” beginning on page no. 71 of this Tranche I Prospectus.

Transfer/Transmission of Secured NCD(s)

The NCDs shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL/CDSL and the relevant DP of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees

would need to be settled with the transferor(s) and not with the Issuer or Registrar.

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

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of Secured NCDs allotted pursuant to this Tranche I Issue except as may be required under RBI requirements and as provided in our Articles of Association. 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, from April 1, 2019. However, any trading of the NCDs issued pursuant to Tranche I Issue shall be compulsorily in dematerialised 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 of beneficial owners 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 the 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 Secured NCDs will need to be settled with the seller of the Secured 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/ the relevant provisions of the Companies Act, 2013 applicable as on the date of this Tranche I Prospectus shall apply, mutatis mutandis (to the extent applicable) to the Secured NCD(s) as well.

Register of NCD Holders

No transfer of title of any 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 holder 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.

Tranche I Issue Programme

TRANCHE I ISSUE PROGRAMME*	
TRANCHE I ISSUE OPENS ON	Monday, December 16, 2019
TRANCHE I ISSUE CLOSES ON	Monday, December 30, 2019

** The Tranche I Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated above, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Authorised Personnel, as the case maybe, subject to necessary approvals. In the event of an early closure or extension of the Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a reputed daily national newspaper on or before such earlier or extended date of Issue Closure. On the Tranche I Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE and NSE.*

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

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

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

Interest and Payment of Interest

Interest on Secured NCDs

Series I Secured NCD

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

Category of NCD Holders	Coupon (%)
Category I & II	8.25
Category III & IV	8.45

Series I Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 36 months from the Deemed Date of Allotment.

Series II Secured NCD

In case of Series II Secured NCDs, interest along with the principal would be redeemed at the end of 36 months from the Deemed Date of Allotment as mentioned below:

Category of NCD Holders	Face Value (₹ per NCD)	Redemption Amount (₹ per NCD)
Category I & II	1,000	1,262.76
Category III & IV	1,000	1,275.81

Series III Secured NCD

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

Category of NCD Holders	Coupon (%)
Category I & II	7.96
Category III & IV	8.15

Series III Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 36 months from the Deemed Date of Allotment.

Series IV Secured NCD

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

Category of NCD Holders	Coupon (%)
Category I & II	8.45
Category III & IV	8.60

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 Secured NCD

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

Category of NCD Holders	Coupon (%)
Category I & II	8.15
Category III & IV	8.29

Series V 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 VI Secured NCD

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

Category of NCD Holders	Coupon (%)
Category I & II	8.50
Category III & IV	8.65

Series VI Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 84 months from the Deemed Date of Allotment.

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 Secured NCDs. Secured NCDs once allotted under any particular Series of Secured 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 Secured 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 Secured 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 66 of this Tranche I Prospectus.

Payment of Interest will be made to those Secured NCD Holders whose names appear in the register of Secured NCD Holders (or to first holder in case of joint-holders) as on Record Date. For Secured NCDs subscribed, in respect to Series III and Series V, where the interest is to be paid on a monthly basis, relevant interest will be calculated on an actual/actual basis on the amount outstanding from time to time commencing from the Deemed Date of Allotment during the tenor of such Secured NCDs.

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.

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. 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 on page 10 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 our Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it 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 our 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/ 18/ 2013 October 29, 2013 and SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016 is disclosed in Schedule D in this Tranche I Prospectus.

Application Size

Each application should be for a minimum of 10 NCDs and multiples of 1 NCD thereafter (for all options of NCDs, namely Option I, Option II, Option III, Option IV, Option V and Option VI taken individually or collectively). The minimum application size for each application for Secured NCDs would be ₹ 10,000 and in multiples of ₹1,000 thereafter.

Applicants can apply for any or all Series of Secured 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 ₹ 1,000 per NCD is payable on application. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall refund the excess amount paid on application to the Applicant in accordance with the terms of this Tranche I Prospectus.

Manner of Payment of Interest / Refund

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

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

Printing of Bank Particulars on Interest/Redemption 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. In relation to Secured NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories.

Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against Secured 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 Secured NCDs.

Buy Back of Secured 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 Secured NCD Holders

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

Right to Reissue Secured NCD(s)

Subject to the provisions of the Companies Act, 1956 and the Companies Act, 2013, as applicable on the date of this Tranche I Prospectus, where we have fully redeemed or repurchased any Secured NCDs, we shall have and shall be deemed always to have had the right to keep such Secured NCDs in effect without extinguishment thereof, for the purpose of resale or re-issue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such Secured NCDs either by reselling or re-issuing the same Secured NCDs or by issuing other Secured NCDs in their place. The aforementioned right includes the right to reissue original Secured NCDs.

Sharing of Information

We may, at our 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, regulatory 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

We 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.

Pre-Issue Advertisement

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

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 ₹ 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 ₹ 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 ₹ 50 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 “General Information - Issue Programme” on page 30 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 (i.e. ₹ 375 crores). If our Company does not receive the minimum subscription of 75% of Base Issue Size (i.e. ₹ 375 crores), 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 Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circulars (bearing CIR/IMD/DF-1/20/2012) dated July 27, 2012.

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.

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 Tranche I Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised; and
- (c) Details of all unutilised monies out of issue of 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) We shall utilise the Tranche I Issue proceeds only up on (i) receipt of minimum subscription; (ii) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; and (ii) 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 utilised and unutilised 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 unutilised indicating the purpose for which such monies have been utilised and the securities or other forms of financial assets in which such unutilised monies have been invested.

Filing of the Shelf Prospectus and this 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 Tranche I Issue Opening Date. This advertisement will contain the information as prescribed in Schedule IV of SEBI Debt Regulations in compliance with the Regulation 8(1) of SEBI Debt Regulations. Material updates, if any, between the date of filing of the Shelf Prospectus and the 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 the NSE. Our Company has obtained an 'in-principle' approval for the Issue from the BSE *vide* their letter no. DCS/BM/PI-BOND/13/19-20 dated December 5, 2019 and from NSE *vide* their letter no. NSE/LIST/96778 dated December 5, 2019. For the purposes of the Issue, NSE shall be the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities and approvals for listing and commencement of trading at the Stock Exchange are taken within 6 (six) 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

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

Lien

As per the RBI circular dated June 27, 2013, the Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. The Company shall have the right of set-off and lien, present as well as future on the moneys due and payable to the Secured NCD holders or deposits held in the account of the Secured NCD holders, whether in single name or joint name, to the extent of all outstanding dues by the Secured NCD holders to the Company, subject to applicable law.

Lien on pledge of Secured NCDs

The Company may, at its discretion note a lien on pledge of Secured NCDs if such pledge of Secured NCD is accepted by any third-party bank/institution or any other person for any loan provided to the Secured NCD holder against pledge of such Secured NCDs as part of the funding, subject to applicable law.

Future Borrowings

We shall be entitled to make further issue of secured debentures and/or raise term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency without

the consent of, or notification to or consultation with the holder of Secured NCDs or the Debenture Trustee by creating a charge on any assets, provided the stipulated security cover is maintained.

We shall be entitled to make further issue of unsecured debentures and/or raise unsecured term loans or raise further unsecured funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency without the consent of, or notification to or in consultation with the holder of Secured NCDs or the Debenture Trustee.

ISSUE PROCEDURE

This section applies to all Applicants. Please note that all Applicants are required to 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. An amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts.

Applicants should note that they may submit their 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 as modified by circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 (“Debt Application Circular”) issued by SEBI and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI (“Debt ASBA Circular”). The procedure mentioned in this section is subject to the Stock Exchanges 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 Stock Exchanges and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchanges 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 Tranche I Issue.

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

THE LEAD MANAGERS, THE CONSORTIUM MEMBERS AND THE COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITY OF SUCH TRADING MEMBERS IN RELATION TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE RELEVANT STOCK EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GREIVANCES ARISING FROM APPLICATIONS THROUGH TRADING MEMBERS REGISTERED WITH SUCH STOCK EXCHANGE

Please note that for the purposes of this section, the term “Working Day” shall mean with reference to Tranche I Issue Period where working days shall mean all days excluding the second and the fourth Saturday of every month, Sundays and a public holiday in Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to Tranche I Issue Period where working days shall mean all days, excluding Saturdays, Sundays and public holidays in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881. 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.

The information below is given for the benefit of the investors. 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.

PROCEDURE FOR APPLICATION

How to Apply?

Availability of the Draft Shelf Prospectus, Shelf Prospectus, Tranche I Prospectus, Abridged Prospectus, and Application Form

Please note that only ASBA Applicants shall be permitted to make an application for the NCDs.

Physical copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus, this Tranche I Prospectus together with Application Forms may be obtained from:

- (a) Our Company's Registered Office and Corporate Office;
- (b) Offices of the Lead Managers;
- (c) Offices of the Lead Brokers;
- (d) Registrar to the Issue
- (e) Designated CRTA Locations for CRTAs;
- (f) Designated CDP Locations for CDPs; and
- (g) Designated Branches of the SCSBs.

Electronic Application Forms may be available for download on the websites of the Stock Exchange and on the websites of the SCSBs that permit submission of ASBA Applications electronically. A unique application number ("UAN") will be generated for every Application Form downloaded from the websites of the Stock Exchange. Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

Trading Members of the Stock Exchange can download Application Forms from the websites of the Stock Exchange. Further, Application Forms will be provided to Trading Members of the Stock Exchange at their request.

On a request being made by any Applicant before the Issue Closing Date, physical copies of the Shelf Prospectus, this Tranche I Prospectus and Application Form can be obtained from our Company's Registered and Corporate Office, as well as offices of the Lead Managers. Electronic copies of the Draft Shelf Prospectus, Shelf Prospectus and this Tranche I Prospectus will be available on the websites of the Lead Managers, the Stock Exchange, SEBI and the SCSBs.

Who are eligible to apply for NCDs?

The following categories of persons are eligible to apply in the Issue:

Category I	Category II	Category III	Category IV
Institutional Investors	Non-Institutional Investors	High Net-worth Individuals ("HNIs")	Retail Individual Investors
<ul style="list-style-type: none">Public financial institutions scheduled commercial banks, Indian multilateral and bilateral development financial institution which are authorized to invest in the NCDs;Provident funds, pension funds with a minimum corpus of ₹2,500 lakh, superannuation funds and gratuity funds, which are authorized to invest in the NCDs;	<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;Public/private charitable/ religious trusts which are	High Net-worth individuals which include Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10 lakhs across all series of NCDs in Issue	Retail Individual Investors which include Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 10 lakhs across all series of NCDs in Issue

Category I	Category II	Category III	Category IV
Institutional Investors	Non-Institutional Investors	High Net-worth Individuals (“HNIs”)	Retail Individual Investors
<ul style="list-style-type: none"> • Mutual Funds registered with SEBI; • Resident Venture Capital Funds/ Alternative Investment Fund registered with SEBI subject to investment conditions applicable to them under Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Insurance Companies registered with IRDA; • 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, a nonbanking financial company registered with the Reserve Bank of India and having a net worth of more than ₹50,000 lakh as per the last audited financial statements; and • 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. 	<p>authorised to invest in the NCDs;</p> <ul style="list-style-type: none"> • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the • Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons. 		

Please note that it is clarified that persons resident outside India shall not be entitled to participate in the Issue and any Applications from such persons are liable to be rejected.

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 NCDs that can be held by them under applicable statutory and/ or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/ consents/ approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

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

Who are not eligible to apply for NCDs?

The following categories of persons, and entities, shall not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

- (a) Minors without a guardian name*;
- (b) Foreign nationals, NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
- (c) Persons resident outside;
- (d) Foreign Institutional Investors;
- (e) Foreign Portfolio Investors;
- (f) Qualified Foreign Investors;
- (g) Overseas Corporate Bodies; and
- (h) Persons ineligible to contract under applicable statutory/regulatory requirements.

**Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

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.

No offer to the public (as defined under Directive 2000/371/EC, together with any amendments and implementing measures thereto, the “**Prospectus Directive**”) has been or will be made in respect of the Issue or otherwise in respect of the NCDs, in any Member State of the European Economic Area which has implemented the Prospectus Directive (a “**Relevant Member State**”) except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue or otherwise in respect of the NCDs. Please see “**Rejection of Applications**” on page 88 of this Tranche I Prospectus for information on rejection of Applications.

Modes of Making 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 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.

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

Applicants should submit the Application Form only at the Bidding Centres, i.e. to the respective Members of the Syndicate 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 <https://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 be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

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.

Application Size

Each Application should be for a minimum of 10 NCDs and in multiples of one NCD thereafter for all Series of Secured NCDs.

APPLICATIONS FOR ALLOTMENT OF SECURED NCDs

Details for Applications by certain categories of Applicants including documents to be submitted are summarized below.

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 dated February 22, 2017 ("SEBI Circular 2019"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 20% of the net assets value of the scheme. Further, the group level limits for debt schemes and the ceiling be fixed at 10% of net assets value extendable to 15% of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories.

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

Commercial banks, co-operative banks and regional rural banks can apply in the Issue based on their own investment limits and approvals. The Application Form must be accompanied by the certificate of registration

issued by RBI, and (ii) the approval of such banking company's investment committee is required to be attached to 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.**

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 Applications.

Application by Insurance Companies

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority ("IRDAI"), a certified copy of certificate of registration issued by IRDAI must be lodged along with 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 thereof.

Insurance companies participating in this Tranche I Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time including the IRDAI Investment Regulations.

Application by Indian Alternative Investment 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 SEBI registration certificate. 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.

Application by Systemically Important Non- Banking Financial Companies

Systemically Important Non- Banking Financial Company, a non-banking financial company registered with the Reserve Bank of India and having a net-worth of more than five hundred crore rupees as per the last audited financial statements can apply in this Tranche I Issue based on their own investment limits and approvals. The Application Form must be accompanied by a certified copy of the certificate of registration issued by the RBI, a certified copy of its last audited financial statements on a standalone basis and a net worth certificate from its statutory auditor(s). **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor**

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

In case of Applications made by Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) Power of Attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the 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 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 the 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, 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 by Provident Funds, Pension Funds, Superannuation Funds and Gratuity Fund, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of incorporation/ registration under any Act/Rules under which they are incorporated. **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 National Investment Funds

The Application must be accompanied by certified true copies of: (i) resolution authorising investment and containing operating instructions; and (ii) 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.**

Companies, bodies corporate and societies registered under the applicable laws in India

The Application must be accompanied by certified true copies of the registration under the Act/ Rules under which they are incorporated. **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 Indian Scientific and/or industrial research organizations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of the registration under the Act/ Rules under which they are incorporated. **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 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 (No. 6 of 2009)

The Application must be accompanied by certified true copies of the partnership deed or registration issued under the Limited Liability Partnership Act, 2008, as applicable. **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 under Power of Attorney

In case of Applications made pursuant to a power of attorney by Applicants who are Institutional Investors or Non-Institutional Investors, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants who are Retail Individual Investors, a certified copy of the power of attorney must be submitted 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. Our Company, in its absolute discretion, reserves

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

Brokers having online demat account portals may also provide a facility of submitting the Application Forms online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his/ her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorise the broker, the broker makes an Application on behalf of the Applicant.

APPLICATIONS FOR ALLOTMENT OF SECURED NCDs IN THE DEMATERIALIZED FORM

Submission of ASBA Applications

This section is for the information of the Applicants proposing to subscribe to the Tranche I Issue. The Lead Managers and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Tranche I Prospectus. Applicants are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our 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 Applications accepted by and/or uploaded by and/or accepted but not uploaded by Consortium Members, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Tranche I Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account. The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application 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 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 Members of 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. The list of Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated CRTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bseindia.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.

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

- (a) Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of ASBA Application in physical mode, the ASBA Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the electronic system of the Stock Exchange. If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such ASBA Application and shall not upload such ASBA Application in the electronic system of the Stock Exchange. If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application.
- (b) In case of Application in the electronic mode, the ASBA Applicant shall submit the ASBA Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such ASBA Applications.
- (c) Physically through the Consortium, Lead Managers, or Trading Members of the Stock Exchange only at

the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat), i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Consortium, Lead Managers or Trading Members of the Stock Exchange at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Consortium, Lead Managers or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

- (d) Upon receipt of the Application Form by the Consortium, Lead Managers or Trading Members of the Stock Exchange, as the case may be, an acknowledgement shall be issued by giving the counter foil of the Application Form to the ASBA Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchange and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Specified City, named by such SCSB to accept such ASBA Applications from the Consortium, Lead Managers or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). Upon receipt of the ASBA Application, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Form. If sufficient funds are not available in the ASBA Account, the relevant ASBA Application is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be.

ASBA Applicants must note that:

- (a) Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Lead Managers and Trading Members of the Stock Exchange at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchange at least one day prior to the Tranche I Issue Opening Date. Application Forms will also be provided to the Trading Members of the Stock Exchange at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Tranche Prospectus is made available on their websites.
- (b) The Designated Branches of the SCSBs shall accept ASBA Applications directly from ASBA Applicants only during the Issue Period. The SCSB shall not accept any ASBA Applications directly from ASBA Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA Applications from the Lead Managers or Trading Members of the Stock Exchange, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date. For further information on the Issue programme, please refer to the section titled "**Issue Related Information**" on page 53 of this Tranche I Prospectus.
- (c) In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Lead Managers or Trading Members of the Stock Exchange, as the case maybe, if not, the same shall be rejected. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

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

Submission of Direct Online Applications

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 Exchanges 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.

In the event the Direct Online Application facility is implemented by the Stock Exchange, relevant “know your customer” details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated UAN and an SMS or an e-mail confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant’s bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Issue.

As per the Debt Application Circular issued by SEBI, the availability of the Direct Online Applications facility is subject to the Stock Exchanges putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI.

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only;
- Application Forms must be completed in block letters in English, as per the instructions contained in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Abridged Prospectus and the Application Form.
- If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.
- Applications must be for a minimum of 10 (ten) NCDs and in multiples of 1 NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 (ten) NCDs, an Applicant may choose to apply for 10 (ten) NCDs or more in a single Application Form.
- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.
- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;
- No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Lead Managers, Trading Members of the Stock Exchange or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Lead Manager, Trading Member of the Stock Exchange or the Designated Branch of the SCSBs, as the case may be.

- Every Applicant should hold a valid PAN and mention the same in the Application Form.
- All Applicants are required to tick the relevant column of “Category of Investor” in the Application Form.
- ASBA will be the default “Mode of Application” as per the ASBA Circular.
- Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form and also ensure that the signature in the Application Form matches with the signature in Applicant’s bank records, otherwise the Application is liable to be rejected.
- Applicants applying for Allotment in dematerialised form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant’s active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchange by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.

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

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

B. Applicant’s Beneficiary Account Details and Bank Account Details

Applicants applying for Allotment in dematerialized form must mention their DP ID and Client ID in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the beneficiary account is held. In case the Application Form is submitted in the first Applicant’s name, it should be ensured that the beneficiary account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form and entered into the electronic system of the Stock Exchanges 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. Further, Application Forms submitted by Applicants whose beneficiary accounts are inactive, will be rejected. On the basis of the Demographic details as appearing on the records of the DP, the Registrar to the Issue will issue Allotment Advice to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their beneficiary account details in the Application Form. Failure to do so could result in delays in delivery of Allotment Advice at the Applicants’ sole risk, and neither our Company, the Lead Managers, Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries, Public Issue Account Banks, SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same. In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of power of attorney to request the Registrar that for the purpose of printing particulars on the Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used.

By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Tranche I Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of Secured NCDs pursuant to the Tranche I Issue will be made into the accounts of such Applicants.

Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three

parameters, namely, DP ID, Client ID and PAN, then such Application are liable to be rejected.

C. Permanent Account Number (PAN)

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

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

D. Joint Applications

If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

E. Additional/ Multiple Applications

An Applicant is allowed to make one or more Applications for the NCDs, subject to a minimum application size of ₹ 10,000/- and in multiples of ₹ 1,000 thereafter as specified in this Tranche I Prospectus. **Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected.** However, multiple Applications by the same individual Applicant aggregating to a value exceeding ₹1,000,000 shall be deemed such individual Applicant to be a HNI Applicant and all such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant. Any Application made by any person in his individual capacity and an Application made by such person in his capacity as a karta of a HUF and/or as Applicant (second or third Applicant), shall not be deemed to be a multiple Application. For the purposes of allotment of NCDs under the Tranche I Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Do's and Don'ts

Applicants are advised to take note of the following while filling and submitting the Application Form:

Do's

1. Check if you are eligible to apply as per the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and applicable law;
2. Read all the instructions carefully and complete the Application Form in the prescribed form;
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Tranche I Issue;
4. Ensure that the DP ID and Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database.

5. Ensure that the DP ID and Client ID are correct and beneficiary account is activated for Allotment of NCDs in dematerialized form. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
6. Ensure that you have mentioned the correct ASBA Account number in the Application Form;
7. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder;
Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be;
8. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
9. 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 Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Tranche I Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;
10. Ensure that signatures other than in the languages specified in the 8th Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
11. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;
12. Ensure that the Applications are submitted to the Lead Managers, Trading Members of the Stock Exchange or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Tranche I Issue programme, please refer to "Issue Structure" on page 53 of this Tranche I Prospectus;
13. Ensure that the Demographic Details including PAN are updated, true and correct in all respects.
14. 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 NCDs pursuant to the Issue;
15. Permanent Account Number: Except for Application (i) on behalf of the central or state government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the central or state government and officials appointed by the courts and for investors residing in the state of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
16. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;
17. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form.
18. Tick the series of NCDs in the Application Form that you wish to apply for.
19. Check if you are eligible to Apply under ASBA;
20. Ensure that you give the correct details of your ASBA Account including bank account number/ bank name and branch;
21. Ensure that your Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Lead Managers or Trading Members of the Stock Exchange at the Specified Cities, and not directly to the Public Issue Account Banks (assuming that such bank is not a SCSB) or to our Company or the Registrar to the Issue;
22. In case of ASBA Applications through Syndicate ASBA, before submitting the physical Application Form to the Trading Members of the Stock Exchange, ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Lead Managers or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Forms (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>);

23. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 2, 2013, in case of an SCSB making an ASBA Application, such ASBA Application should be made through an ASBA Account utilised solely for the purpose of applying in public issues and maintained in the name of such SCSB Applicant with a different SCSB, wherein clear demarcated funds are available.
24. Ensure that the Application Form is signed by the ASBA Account holder in case the ASBA Applicant is not the account holder;
25. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form and that your signature in the Application Form matches with your available bank records;
26. 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 blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form; and
27. Ensure that you receive an acknowledgement from the Designated Branch or the concerned Lead Manager or Trading Member of the Stock Exchange, as the case may be, for the submission of the Application Form.

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

SEBI Circular No. CIR/DDHS/P/121/2018 dated August 16, 2018 stipulating the time between closure of the Tranche I Issue and listing at 6 (six) Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts:

1. Do not apply for lower than the minimum application size;
2. Do not pay the Application Amount in cash, by money order or by postal order or by stockinvest;
3. Do not send Application Forms by post; instead submit the same to the Consortium, brokers, Trading Members of the Stock Exchange or Designated Branches of the SCSBs, as the case may be;
4. Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size 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;
5. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
6. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
7. Do not submit the Application Forms without the full Application Amount;
8. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
9. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
10. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;
11. Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
12. Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by Persons Resident Outside India, NRI (*inter-alia* including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA); and
13. Do not make an application of the NCD on multiple copies taken of a single form.
14. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process;
15. Do not submit the Application Form to the Lead Managers or Trading Members of the Stock Exchange, as the case may be, at a location other than the Specified Cities.
16. Do not send your physical Application Form by post. Instead submit the same to a Designated Branch or the Lead Managers or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities; and
17. Do not submit more than five Application Forms per ASBA Account

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB

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

Please refer to “*Rejection of Applications*” on page 88 of this Tranche I Prospectus for information on rejection of Applications.

TERMS OF PAYMENT

The Application Forms will be uploaded onto the electronic system of the Stock Exchange and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such 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 Application Amount for the NCDs is payable on Application only. The relevant SCSB shall block an amount equivalent to the entire Application Amount in the ASBA Account at the time of upload of the Application Form. In case of Allotment of lesser number of NCDs than the number applied, the Registrar to the Issue shall instruct the SCSBs to unblock the excess amount in the ASBA Account. For Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application, before entering the Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account. **Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the Application to the Designated Intermediaries, or to the Designated Branches of the SCSBs. An Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.**

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 6 (six) Working Days of the Tranche I 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 Issue or until rejection of the Application, as the case may be.

Payment mechanism for ASBA Applicants

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

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

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA Application into the electronic system of the Stock Exchange. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account.

ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Lead Managers or Trading Members of the Stock

Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of the Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, the Registrar to the Issue shall send an appropriate request to the controlling branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount pertaining to NCDs allotted to the successful ASBA Applicants to the Public Issue Account(s). The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 5 (five) Working Days of the Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the ASBA Application, as the case may be. In case of withdrawal/ failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

Payment mechanism for Direct Online Applicants

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 Exchanges 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.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
Applications	(i) If using physical Application Form, (a) to the Designated Intermediaries at relevant Bidding Centres or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (ii) If using electronic Application Form, to the SCSBs, electronically through internet banking facility, if available.

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 Exchanges 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.

No separate receipts will be issued for the Application Amount payable on submission of Application Form.

However, the Consortium / Trading Members of Stock Exchange, will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants an acknowledgement slips which will serve as a duplicate Application Form for the records of the Applicant.

Syndicate ASBA Applicants must ensure that their ASBA Applications are submitted to the Consortium or Trading Members of the Stock Exchange only at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat). Kindly note that ASBA Applications submitted to the Lead Managers or Trading Members of the Stock Exchange at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Lead Managers or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

Electronic Registration of Applications

- (a) The Consortium, Trading Members of the Stock Exchange and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchange. Direct Online Applications will be registered by Applicants using the online platform offered by the 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 SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to ASBA Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, or (v) any Applications accepted both uploaded and/or not uploaded by the Trading Members of the Stock Exchange.

In case of apparent data entry error by the Consortium, Trading Members of the Stock Exchange, Public Issue Account Banks or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Lead Managers, Trading Member of the Stock Exchange in the data entries as such data entries will be considered for allotment/rejection of Application.

- (b) The Stock Exchange will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of Consortium, Trading Members of the Stock Exchange and the SCSBs during the Issue Period. The Lead Managers and Trading Members of the Stock Exchange can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, the Lead Managers, Trading Members of the Stock Exchange and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Managers, Trading Members of the Stock Exchange and the Designated Branches of the SCSBs 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) With respect to ASBA Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches shall enter the requisite details of the Applicants in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID
- Number of NCDs applied for
- Price per NCD
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Application amount

- (d) With respect to Applications submitted to Consortium, or Trading Members of the Stock Exchange only at the Specified Cities, at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:

- Application Form number
- PAN (of the first Applicant, in case of more than one Applicant)
- Investor category and sub-category
- DP ID
- Client ID

- Series of NCDs applied for
 - Number of NCDs applied for in each series of NCD
 - Price per NCD
 - Bank code for the SCSB where the ASBA Account is maintained
 - Location of Specified City
 - Application amount
- (e) A system generated acknowledgement will be given to the Applicant as a proof of the registration of each Application. It is the Applicant's responsibility to obtain the acknowledgement from the Lead Managers, Trading Members of the Stock Exchange and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Lead Managers, Trading Members of the Stock Exchange and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.
- (f) Applications can be rejected on the technical grounds listed on page 88 of this Tranche I Prospectus or if all required information is not provided or the Application Form is incomplete in any respect.
- (g) The permission given by the Stock Exchanges 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, the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Tranche I Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.
- (h) Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment. The Consortium, Trading Members of the Stock Exchange and the Designated Branches of the SCSBs 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 Exchanges. In order that the data so captured is accurate the Consortium, Trading Members of the Stock Exchange and the Designated Branches of the SCSBs of the SCSBs will be given up to one Working Day after the Tranche I Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche I Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

REJECTION OF APPLICATIONS

Applications would be liable to be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect. The Board of Directors and/or any committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

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

- (i) Applications submitted without payment 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;
- (ii) Application Amount paid 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;
- (iii) Applications where a registered address in India is not provided for the Applicant;
- (iv) 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;
- (v) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, except bids by Minors (applying through the guardian) having valid demat account as per demographic

- details provided by the Depository Participants;
- (vi) Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
 - (vii) PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned;
 - (viii) DP ID and Client ID not mentioned in the Application Form;
 - (ix) GIR number furnished instead of PAN;
 - (x) Applications by OCBs;
 - (xi) Applications for an amount below the minimum application size;
 - (xii) Submission of more than five ASBA Forms per ASBA Account;
 - (xiii) Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
 - (xiv) In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
 - (xv) Applications accompanied by Stock invest/ money order/ postal order/ cash;
 - (xvi) Signature of sole Applicant missing or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);
 - (xvii) Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
 - (xviii) Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.
 - (xix) ASBA Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant's bank records;
 - (xx) Application Forms submitted to the Lead Managers, or Trading Members of the Stock Exchange does not bear the stamp of the relevant Lead Manager or Trading Member of the Stock Exchange, as the case may be. ASBA Applications submitted directly to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Lead Managers, or Trading Members of the Stock Exchange, as the case may be;
 - (xxi) ASBA Applications not having details of the ASBA Account to be blocked;
 - (xxii) In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database;
 - (xxiii) Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the ASBA Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
 - (xxiv) SCSB making an ASBA application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
 - (xxv) Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;
 - (xxvi) Authorization to the SCSB for blocking funds in the ASBA Account not provided;
 - (xxvii) Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
 - (xxviii) Applications by any person outside India;
 - (xxix) Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;
 - (xxx) Applications not uploaded on the online platform of the Stock Exchange;
 - (xxxi) Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;
 - (xxxii) Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Prospectus and as per the instructions in the Application Form and this Tranche I Prospectus;
 - (xxxiii) Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
 - (xxxiv) Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchange, are not as per the records of the Depositories;
 - (xxxv) ASBA Applications submitted to the Consortium, or Trading Members of the Stock Exchange at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account

- is not maintained, and ASBA Applications submitted directly to an Public Issue Account Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- (xxxvi) Applications tendered to the Trading Members of the Stock Exchange at centers other than the centers mentioned in the Application Form;
 - (xxxvii) Investor Category not ticked; and/or
 - (xxxviii) Application Form accompanied with cheque.
 - (xxxix) 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.
 - (xl) Forms not uploaded on the electronic software of the Stock Exchange.
 - (xli) Applications for the allotment of NCDs in dematerialized form providing an inoperative demat account number.

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

For information on certain procedures to be carried out by the Registrar to the Offer for finalization of the basis of allotment, please refer to “*Information for Applicants*” on page 90 of this Tranche I Prospectus

Information for Applicants

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

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

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

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

Information for Applicants

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

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

BASIS OF ALLOTMENT

Basis of Allotment for NCDs

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

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

Grouping of Applications and allocation ratio

For the purposes of the basis of allotment of NCDs:

- 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 Investors Portion”**).
- D. *Applications received from Category IV Applicants:* Applications received from Applicants belonging to Category IV shall be grouped together, (**“Retail Individual Investors Portion”**).

For removal of doubt, the terms "Institutional Portion", "Non-Institutional Portion", "High Net Worth Individual Investors Portion" and "Retail Individual Investors 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 ₹1000 crores. 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), taken together with 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 Investors Portion	Retail Individual Investors Portion
10%	10%	35%	45%

(a) Allotments in the first instance:

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

- iii. Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 35% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 35% of Tranche I Issue Limit for the High Net Worth Individual Investors Portion shall be done considering the aggregate subscription received in the High Net Worth Individual Investors Portion; and
- iv. Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 45% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 45% of Tranche I Issue Limit for the Retail Individual Investors Portion shall be done considering the aggregate subscription received in the Retail Individual Investors Portion.

As per circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which amends the provisions of circular (No. CIR/IMD/DF-1/20/2012) dated July 27, 2012 to the extent that it provides for allotment in public issues of debt securities to be made on the basis of date of upload of each application into the electronic book of the Stock Exchange, as opposed to the date and time of upload of each such application. In the event of, and on the date of oversubscription, however, allotments in public issues of debt securities is to be made on a proportionate basis.

Allotment by the Company, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis to each Portion, based on the date of upload of each Application into the Electronic Book of the Stock Exchanges, subject to the Allocation Ratio indicated at the section titled “**Issue Procedure – Basis of Allotment**” at page 91 of this Tranche I Prospectus.

- (b) *Allotments in case of oversubscription*: In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the 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 on the electronic platform of the Stock Exchanges, in each Portion).

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

- a. In case of an oversubscription in all Portions resulting in an oversubscription in the Tranche I Issue Limit, Allotments to the maximum permissible limit, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants on the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion).
- b. In case there is oversubscription in Tranche I Issue Limit, however there is under subscription in one or more Portion(s), Allotments will be made in the following order:
 - (i) All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Issue Period, shall receive full and firm allotment
 - (ii) In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchange during the Issue period. For the sake of clarity, the day on which the entire remaining undersubscribed Portion is Allocated to the oversubscribed Portion(s), no allocation shall be made to any oversubscribed Portion(s) on the remaining days of the Issue Period

- (c) *Under Subscription*: If there is under subscription in the overall Tranche I Issue Limit due to undersubscription in each Portion, all valid Applications received till the end of last day of the Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.
- (d) *Minimum Allotments of 1 Secured NCD and in multiples of 1 Secured NCD thereafter would be made in case of each valid Application to all Applicants.*
- (e) *Proportionate Allotments*: For each Portion(s), on the date of oversubscription:
 - i. Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.
 - ii. If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Tranche I Issue Limit, 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.
 - iii. In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.
- (f) *Applicant applying for more than one Series/Options of Secured NCDs*: If an Applicant has applied for more than one Series of Secured NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of Secured NCDs applied for, the Series-wise allocation of Secured NCDs to such Applicants shall be in proportion to the number of Secured NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Manager and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the 6 (six) Series and in case such Applicant cannot be allotted all the 6 (six) Series, then the Applicant would be allotted Secured NCDs, at the discretion of the Company, the Registrar and the Lead Managers wherein the Secured NCDs with the least tenor i.e. Allotment of Secured NCDs with tenor of 36 months followed by Allotment of Secured NCDs with tenor of 60 months and so on.
- (g) *Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications*: The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Tranche I Issue Closing Date.

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

Our Company would allot Series IV Secured NCDs to all valid applications, wherein the applicants have selected only Secured NCDs, but have not indicated their choice of the relevant options of the Secured NCDs.

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

Investor Withdrawals and Pre-closure

Investor Withdrawal: Applicants are allowed to withdraw their Applications at any time prior to finalisation of Basis of Allotment for the Tranche I Issue.

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 which is 75% of the Base Issue Size, i.e. ₹ 375 crores before the Tranche I Issue Closing Date. Our Company shall allot Secured

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 Secured NCDs is lesser than the minimum subscription which is 75% of the Base Issue Size, i.e. ₹ 375 crores before the Tranche I Issue Closing Date.

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

ISSUANCE OF ALLOTMENT ADVICE

Our Company shall ensure dispatch/and/or mail the Allotment Advice within 6 (six) Working Days of the Tranche I Issue Closing Date to the Applicants. The Allotment Advice for successful Applicants will be mailed to their addresses as per the demographic details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants shall be made within 6 (six) Working Days of the Tranche I Issue Closing Date.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities and approvals for the commencement of trading at the Stock Exchange where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Tranche I Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be unblocked within 15 (fifteen) days from the Tranche I Issue Closing Date or such lesser time as may be specified by SEBI or else the application amount shall be unblocked in the ASBA Accounts of the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent. per annum for the delayed period.

Our Company will provide adequate funds required for dispatch of Allotment Advice, as applicable, to the Registrar to the Issue

OTHER INFORMATION

Withdrawal of Applications

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

Early Closure

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

If our Company does not receive the minimum subscription of 75% of Base Issue Size, prior to the Tranche I Issue Closing Date the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 6 (six) Working Days from the Tranche I Issue Closing Date, 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 (six) Working

Days from the Tranche I Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate of 15 (fifteen) percent per annum for the delayed period.

Revision of Applications

As per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, cancellation of one or more orders within an Application is permitted during the Tranche I Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. Please note that in case of cancellation of one or more orders 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 Tranche I Issue Period, as allowed/permitted by the stock exchange(s), by submitting a written request to the Lead Managers/ Trading Members of the Stock Exchange/ the SCSBs, 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(s) as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Tranche I Issue Closing Date. However, in order that the data so captured is accurate, the Lead Managers, Trading Members of the Stock Exchange, Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Tranche I Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche I Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL. The Stock Exchange shall validate the bid details with DP records by the end of each bidding day. The Registrar shall every day provide the bid file received from the Stock Exchange to all SCSBs for validation/reconciliation at their end.

Depository Arrangements

We have made depository arrangements with NSDL and CDSL. Please note that Tripartite Agreements have been executed between our Company, the Registrar and both the depositories.

As per the provisions of the Depositories Act, the NCDs issued by us can be held in a dematerialized form. In this context:

- (i) Agreement dated December May 31, 2012 between us, the Registrar to the Issue and NSDL, and dated June 24, 2016, between us, the Registrar to the Issue and CDSL, respectively for offering depository option to the investors.
- (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) The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.
- (iv) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
- (v) Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.
- (vi) It may be noted that NCDs in electronic form can be traded only on the Stock Exchange having electronic connectivity with NSDL or CDSL. The Stock Exchange has connectivity with NSDL and CDSL.
- (vii) Interest or other benefits with respect to the NCDs held in dematerialized 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.

(viii) The trading of the NCDs on the floor of the Stock Exchange shall be in dematerialized form only.

Please see “*Instructions for filling up the Application Form - Applicant’s Beneficiary Account Details*” on page 81 of this Tranche I Prospectus.

Please note that the NCDs shall cease to trade from the Record Date (for payment of the principal amount and the applicable premium and interest for such NCDs) prior to redemption of the NCDs.

PLEASE NOTE THAT TRADING OF NCDs ON THE FLOOR OF THE STOCK EXCHANGE SHALL BE IN DEMATERIALIZED FORM ONLY IN MULTIPLE OF ONE NCD.

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

Communications

All future communications in connection with Applications made in this Tranche I Issue (except the Applications made through the Trading Members of the Stock Exchanges) should be addressed to the Registrar to the Issue with a copy to the relevant SCSB quoting the full name of the sole or first Applicant, Application Form number, Applicant’s DP ID and Client ID, Applicant’s PAN, number of NCDs applied for, date of the Application Form, name and address of the Lead Manager, Trading Member of the Stock Exchange or Designated Branch, as the case may be, where the Application was submitted, and ASBA Account number in which the amount equivalent to the Application Amount was blocked. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB.

Applicants may contact the Lead Managers, our Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, refunds, interest on application amount or credit of NCDs in the respective beneficiary accounts, as the case may be.

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

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment and demat credit 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.

Undertaking by the Issuer

Statement by the Board:

- (a) All monies received pursuant to the Issue of NCDs to public shall be transferred to a separate bank account as 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 utilized.
- (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) the details of all utilized and unutilised 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;

- (e) We shall utilize the Tranche I Issue proceeds only upon allotment of the NCDs, execution of the Debenture Trust Deed as stated in this Tranche I Prospectus and on receipt of the minimum subscription of 75% of the Base Issue and receipt of listing and trading approval from the Stock Exchange.
- (f) 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.
- (g) Undertaking by our Company for execution of Debenture Trust Deed

Other Undertakings by our Company

Our Company undertakes that:

- (a) Complaints received in respect of the Issue will be attended to by our Company expeditiously and satisfactorily;
- (b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;
- (c) Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within 6(six) Working Days of the Tranche I Issue Closing Date;
- (d) Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue;
- (e) Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the current Statutory Auditor, to the Debenture Trustee;
- (f) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue as contained in this Tranche I Prospectus;
- (g) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report.

STATEMENT OF TAX BENEFITS

November 25, 2019

The Board of Directors
L&T Finance Limited
7th Floor, Technopolis
A- Wing, Plot No 4
Block - BP, Sector - V
Salt Lake, Kolkata 700091

Dear Sirs,

Sub: Statement of possible tax benefits available to Debenture Holders of L&T Finance Limited (formerly known as “Family Credit Limited”) in connection with the proposed public issue of redeemable secured non-convertible debentures and/or redeemable unsecured subordinated non-convertible debentures of face value of Rs. 1,000/- each (the “Debentures” or the “NCDS”) for an amount aggregating upto Rs. 50,000 million (Rupees Fifty Thousand million) (hereinafter referred to as the “Issue”)

We refer to the proposed Issue by **L&T Finance Limited** (formerly known as “Family Credit Limited”) (the “**Company**”) and enclose the Statement of possible tax benefits available to the debenture holders under the Income-tax Act, 1961 (the “**Statement**”) showing the current position of taxation applicable to the debenture holders as per the provisions of the Income Tax Act, 1961 (the “**Act**”) and Income tax Rules, 1962 including amendments made by Finance (No 2.) Act 2019 and Taxation Laws (Amendment) Ordinance, 2019 as applicable for the financial year 2019-20, for inclusion in the Draft Shelf Prospectus and Shelf Prospectus (together the “**Prospectus**”) which is proposed by the Company to be issued in connection with the Issue. Several of these benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence the ability of the debenture holders to derive these direct tax benefits is dependent upon their fulfilling such conditions.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. The contents stated in the Statement are based on the information and explanations obtained from the Company. 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. We are neither suggesting nor are we advising the debenture holders to invest money based on this statement.

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

- the debenture holders will continue to obtain these benefits in similar manner in future;
- the conditions prescribed for availing the benefits have been / would be met with; and
- the revenue authorities/courts will concur with the views expressed herein.

We hereby give our consent to include the Statement in the Prospectus in connection with the Issue to be filed by the Company with the Stock Exchanges, the Securities and Exchange Board of India, and the Registrar of Companies, and any other regulatory authority in relation to the Issue and such other documents as may be prepared in connection with the Issue.

Limitations

Our views expressed in the Statement enclosed are based on the facts and assumptions indicated above. 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 reasonable interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

This Statement is addressed to you solely for the use of the Company in relation to the Issue and, except with our prior written consent, is not to be transmitted or disclosed to or used or relied upon by any other person or used or relied upon by you for any other purpose, save that you may disclose this Statement to Edelweiss Financial Services Limited, Trust Investment Advisors Private Limited A.K. Capital Services Limited and JM Financial Limited (together, the “Lead Managers” or “Permitted Recipients”) on the basis that (i) the Lead Managers cannot rely on this Statement, (ii) we do not assume any duty or liability to the Lead Managers (iii) the Lead Managers have no recourse on us.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration No. 117366W/W-100018)

Rupen K. Bhatt
Partner
(Membership No. 046930)
(UDIN: 19046930AAAAFY2928)

Place: MUMBAI
Date: November 25, 2019

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDER(S)

Under the existing provisions of the Income-tax Act, 1961, 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, 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.

A. IMPLICATIONS UNDER THE INCOME-TAX ACT, 1961 ('I.T. ACT')

I. To the Resident Debenture Holder

1. Interest on NCD received by Debenture Holder(s) would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. Tax would need to be withheld at the rate of 10% at the time of credit/payment as per the provisions of Section 193 of the I.T. Act. However, no/lower income tax is deductible at source *inter alia* in respect of the following:
 - a. On any security issued by a company in a dematerialized form and is listed on recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made there under.
 - b. In case the payment of interest on debentures to a resident individual or a Hindu Undivided Family ('HUF'), the interest 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 accompany 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 amount of any income of the nature referred to in section 197A(1) or 197A(1A), 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.

To illustrate, as on 01.04.2019 –

- the maximum amount of income not chargeable to tax in case of individuals (other than senior citizens and super senior citizens) and HUFs is ₹ 2,50,000;
- in the case of every individual being a resident in India, who is of the age of 60 years or more but less than 80 years at any time during the Financial year (Senior Citizen) is ₹ 3,00,000; and
- in the case of every individual being a resident in India, who is of the age of 80 years or more at any time during the Financial year (Super Senior Citizen) is ₹ 5,00,000 for Financial Year 2019-20

Further, section 87A provides a rebate of 100 percent of income-tax or an amount of ₹ 12,500 whichever is less to a resident individual whose total income does not exceed ₹ 5,00,000.

- (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.
2. The rate at which tax shall be deducted at source while paying interest to a resident debenture-holder shall not be increased by surcharge and health and education cess ('cess').
3. *Capital gains and other general provisions*
- a) As per the provisions of section 2(29A) of the I.T. Act, 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. In the case of unlisted debentures, it is 36 months immediately preceding the date of its transfer.
 - b) 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.
 - c) However as per the fourth 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.
 - d) 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.
 - e) Short-term capital gains on the transfer of listed debentures, in case the 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 d above would also apply to such short term capital gains.
 - f) 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 set-off against subsequent year's long-term capital gains.

4. *Classification of gains on transfer*

In case the 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. Further, where the debentures are sold by the Debenture Holder(s) before maturity, the gains arising therefrom are generally treated as capital gains or business income as the case may be depending whether the same is held as Stock in trade or investment. However, there is an exposure that the Indian Revenue Authorities (especially at lower level) may seek to challenge the said characterization (especially considering the provisions explained in Para V below) and hold such gains/income as interest income in the hands of such Debenture Holder(s). Further, cumulative or regular returns on debentures held till maturity would generally be taxable as interest income taxable under the head Income from other sources where debentures are held as investments or business income where debentures are held as trading asset / stock in trade.

II. To the Non Resident Debenture Holder

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:

1. *Interest on NCD and capital gains on transfer*
 - a. Under 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.
 - b. Under 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 to the extent 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. The quantum of exemption shall depend whether cost of new asset is equal, higher or less than the net consideration. Such exemption shall be available only where the new asset is held for a minimum period of 3 years from the date of its purchase.
2. *Others relaxations*
 - a. Under 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.
 - b. Under section 115H of the I.T. Act, where a non-resident Indian becomes a 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.
3. In accordance with and subject to the provisions of section 115I 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 percent 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
4. 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, and 30% for Short Term Capital Gains if the payee Debenture Holder is a Non Resident Indian. This is subject to discussion in para 7.
5. 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 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.

6. The rate at which tax is deducted shall be increased by a surcharge as under:
 - a. In the case of non-resident Indian surcharge at the rate of 10% of such tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds ₹ 50,00,000 , 15 % of such tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds ₹ 1,00,00,000 but not exceeding ₹ 2,00,00,000, 25 % of such tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds ₹ 2,00,00,000 but not exceeding ₹ 5,00,00,000 and 37% of such tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds ₹ 5,00,00,000

The rate at which tax is deducted shall further be increased by cess of 4%. Where surcharge is not applicable, the rate of cess shall be added directly to the rate at which tax shall be deducted. Where surcharge is applicable, the cess shall be added to the rate of tax arrived at after considering the surcharge rate.

7. 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 ('CBDT'), in the case of a remittance to a country with which a Double Taxation Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the I.T. Act 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. Further, such non-resident investor would also be required to furnish Form 10F along with TRC, if such TRC does not contain information prescribed by the CBDT vide its Notification No. 57/2013 dated 1 August 2013.
8. 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(3) or section 197 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.
9. 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. Further, where the debentures are sold by the Debenture Holder(s) before maturity, the gains arising there from are generally treated as capital gains or business income as the case may be. However, there is an exposure that the Indian Revenue Authorities (especially at lower level) may seek to challenge the said characterization (especially considering the provisions explained in Para V below) and hold the such gains/income as interest income in the hands of such Debenture Holder(s). Further, cumulative or regular returns on debentures held till maturity would generally be taxable as interest income taxable under the head Income from other sources where debentures are held as investments or business income where debentures are held as trading asset /stock in trade.

III. To the Foreign Institutional Investors (FIIs/FPIs)

1. As per Section 2(14) of the I.T. Act, any securities held by FIIs/FPIs which have invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.
2. In accordance with and subject to the provisions of section 115AD of the I.T. Act, long term capital gains on transfer of debentures by FIIs/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. The Finance Act, 2013 (by way of insertion of a new section 194LD in the I.T. Act) provides for lower rate of withholding tax at the rate of 5% on payment by way of interest paid by an Indian

company to FIIs/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.

4. In accordance with and subject to the provisions of section 196D(1) of the I.T. Act, the interest income received by the FII/FPI shall be subject to withholding tax @20% (plus surcharge and cess). Further, as per section 196D(2) of the I.T. Act, no tax shall be deducted at source on capital gains arising on the transfer of debentures by FIIs/FPIs.
5. As per section 90(2) of the I.T. Act read with the Circular no. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes ('CBDT'), in the case of a remittance to a country with which a Double Taxation Avoidance Agreement ('DTAA') is in force, the tax should be deducted at the rate provided in the I.T. Act 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. Further, such non-resident investor would also be required to furnish Form 10F along with TRC, if such TRC does not contain information prescribed by the CBDT vide its Notification No. 57/2013 dated 1 August 2013.
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. *To the Other Eligible Institutions*

All mutual funds registered under Securities and Exchange Board of India or set up by public sector banks or public financial institutions or authorized by the Reserve Bank of India are exempt from tax on all their Income, including income from investment in Debentures under the provisions of Section 10(23D) of the I.T. Act subject to and in accordance with the provisions contained therein. 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. *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. 68 75/2013 dated 23 September 2013.

VI. *Exemption under Section 54F of the I.T. Act*

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 a 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.

VII. Exemption under Section 54E of the I.T. Act

Section 54E of the I.T. Act provides that any long-term capital gains on transfer of a long term capital asset, including debentures, (hereinafter referred to as 'original asset') shall be exempt from capital gain tax to the extent the net consideration is invested, within six months after the date of transfer of the original asset, in any specified assets such as government saving certificates, rural development bonds, etc. in accordance with and subject to the provisions contained therein.

The quantum of exemption shall depend whether cost of new asset is equal, higher or less than the net consideration. Such exemption shall be available only where the new asset is held for a minimum period of 3 years from the date of its purchase.

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

1. Sec.139A (5A)
Section 139A(5A) requires every person from whose income tax has been deducted at source under chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deduction of tax at source.
2. Sec. 139A(6A)
Section 139A(6A) of the I.T. Act requires every person entering into certain transactions, as may be prescribed, to quote his PAN or Aadhaar number, in the documents pertaining to such transactions and also authenticate such PAN or Aadhaar number, in the manner prescribed.
3. Sec.206AA
 - a. Section 206AA of the I.T. Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIIB ('deductee') to furnish his PAN to the deductor, failing which tax shall be deducted at the highest 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.
 - However, rule 37BC of the Income Tax Rules provides that the provisions of section 206AA of the Act shall not apply on payments made to non-resident deductee who do not have PAN in India. The non-resident deductee in this regard, shall be required to furnish few prescribed details *inter alia* TRC and Tax Identification Number (TIN).
 - b. 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 (a) above in such a case.
 - c. Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply apart from penal consequences.

IX. 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:

- i. without any consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;
- ii. 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 Act.

Notes

1. The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debentures/bonds.
2. The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.
3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2020-21 (considering the amendments made by Finance (No. 2) Act, 2019 and Taxation Laws (Amendment) Ordinance, 2019).
4. Further, several of these benefits are dependent on the Debenture Holder fulfilling the conditions prescribed under the relevant provisions.
5. This statement is intended only to provide general information to the Debenture Holder(s) and is neither designed nor intended to be a substitute for professional tax advice.
In view of the individual nature of tax consequences, each Debenture Holder is advised to consult his/her/its own tax advisor with respect to specific tax consequences of his/her/its holding in the debentures of the Company.
6. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.
7. 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 non-resident has fiscal domicile.
8. 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 and applicable domestic law.
9. Interest on application money would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 194A of the I.T. Act.
10. 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.

SECTION IV- OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of the Shelf Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts which are or may be deemed material shall be attached to the copy of this Tranche I Prospectus to be delivered to the Registrar of Companies, Mumbai for registration and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Corporate Office of our Company situated at Brindavan, Plot No. 177, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra between 10 am to 5 pm on any Working Day (Monday to Friday) during which issue is open for public subscription under this Tranche I Prospectus.

MATERIAL CONTRACTS

1. Issue Agreement dated November 25, 2019 executed between our Company and the Lead Managers.
2. Registrar Agreement dated November 22, 2019 executed between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated November 22, 2019 executed between our Company and the Debenture Trustee.
4. Tripartite agreement dated June 24, 2016 among our Company, the Registrar and CDSL.
5. Tripartite agreement dated May 31, 2012 among our Company, the Registrar and NSDL.
6. Public Issue Account Agreement dated December 9 between our Company and IndusInd Bank.
7. Consortium agreement dated December 9, 2019 among our Company, LMs and Consortium Members.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.
2. Certificate of Incorporation of our Company dated November 24, 1993, February 14, 1994, July 12, 2007 and March 17, 2017, issued by Registrar of Companies, Kolkata (previously Registrar of Companies, West Bengal).
3. Certificate of Registration as an NBFC dated September 03, 2007 and May 04, 2017 issued by RBI u/s 45 IA of the Reserve Bank of India, 1934.
4. Copy of shareholders resolution dated August 14, 2019 under section 180 (1) (c) of the Companies Act, 2013 on overall borrowing limits of the Board of Directors of our Company.
5. Copy of the resolution by the Board of Directors dated July 19, 2019, read together with resolution by the Board of Directors dated March 19, 2019 approving the issue of NCDs.
6. Copy of the resolution dated November 26, 2019 passed by circulation by the Committee of Directors approving the Draft Shelf Prospectus.
7. Copy of the resolution dated December 9, 2019 passed by circulation by the Committee of Directors approving the Shelf Prospectus and Tranche I Prospectus.
8. Credit rating Letter dated November 14, 2019 and revalidated vide revalidation letter dated December 5, 2019, credit rating rationale dated November 14, 2019, by CRISIL Limited assigning a rating of CRISIL AAA/Stable (pronounced as CRISIL triple A with Stable outlook) to the long term borrowing programme of our Company.
9. Credit rating Letter dated November 15, 2019 and revalidated vide revalidation letter dated December 6, 2019, credit rating rationale dated November 19, 2019 by CARE Ratings assigning a rating of CARE AAA / Stable (pronounced as CARE triple A with Stable Outlook) to the long term borrowing programme of our Company.
10. Credit rating Letter dated November 18, 2019, credit rating rationale dated November 15, 2019 by India Ratings assigning a rating of IND AAA / Stable (pronounced as IND triple A with Stable outlook)) to the long term borrowing programme of our Company.
11. Consents of the Directors, our Company Secretary and Compliance Officer to the Issue, Chief Financial Officer, Lead Managers, Legal Advisor to the Issue, Registrar to the Issue, the Debenture Trustee for the Issue, Banker to the Company, Banker(s) to the Issue, Consortium Members, CRISIL for the CRISIL Industry Report and Credit Rating Agencies to include their names in this Tranche I Prospectus, in their respective capacities.
12. Consent Letter dated December 9, 2019, the Statutory Auditors of our Company, have given their consent to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI Debt Regulations in the Shelf Prospectus and Tranche I Prospectus and as an "expert" as defined

under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as a current statutory auditor and to include their (i) examination reports, each dated November 25, 2019 on our Reformatted Consolidated Financial Information and our Reformatted Standalone Financial Information; (ii) Review Report dated October 18, 2019 on Unaudited Ind AS Interim Financial Information (iii) their report dated November 25, 2019 on the statement of tax benefits and (iv) Audited Ind AS Standalone Financial Statements and Audited Ind AS Consolidated Financial Statements each dated April 28, 2019, in the Draft Shelf Prospectus and Prospectus and such consent has not been withdrawn as on the date of the Prospectus.

13. Annual Report of our Company for the last five Fiscals.
14. In-principle listing approval from BSE by its letter no. DCS/BM/PI-BOND/13/19-20 dated December 5, 2019.
15. In-principle listing approval from NSE by its letter no. NSE/LIST/96778 dated December 5, 2019.
16. Due Diligence Certificate dated December 9, 2019 filed by the Lead Managers with SEBI.
17. Examination Report dated November 25, 2019 issued by Deloitte Haskins & Sells LLP, Chartered Accountants along with the Reformatted Financial Information dated November 25, 2019.
18. Unaudited Ind AS Interim Financial Information of our Company for the year ended September 30, 2019.
19. Industry reports titled ‘CRISIL Research – “NBFC Report 2019”, “EcoView 2019” and ‘Two Wheeler Report 2019’ issued by CRISIL.
20. Shareholders Agreement dated June 5, 2015 executed amongst our Company, Grameen Foundation Asia, Mr. Amit Patni, Mr. Arihant Patni, Citicorp Finance (India) Limited and Grameen Capital India Private Limited.
21. Securities Subscription Agreement dated June 5, 2015 between our Company and Grameen Capital India Private Limited.
22. Group Function Outsourcing Agreement dated October 5, 2018 between L&T Finance Holdings Limited, L&T Infrastructure Finance Company Limited, L&T Infra Debt Fund Limited, L&T Housing Finance Limited and L&T Finance Limited made effective from April 1, 2018 read with Amendment Agreement dated June 10, 2019 made effective from May 08, 2019.
23. Business Transfer Agreement dated September 4, 2018 executed between our Company and Centrum Financial Services Limited pertaining, made effective vide Deed of Assignment dated December 31, 2018.
24. Shareholders’ Agreement dated April 25, 2019 (“Shareholders’ Agreement”) executed among our Company, L&T Infra Debt Fund Limited, APIS Growth II (Lavender) Limited, L&T Finance Holdings Limited and L&T Infrastructure Finance Company Limited.
25. Share Subscription and Share Purchase Agreement dated April 25, 2019 (“Subscription Agreement”) executed among our Company, L&T Infra Debt Fund Limited, APIS Growth II (Lavender) Limited, L&T Finance Holdings Limited and L&T Infrastructure Finance Company Limited.

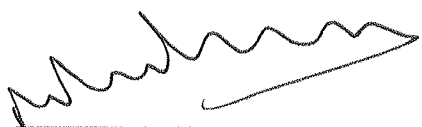
Any of the contracts or documents mentioned above may be amended or modified at any time, without reference to the Debenture holders, in the interest of our Company in compliance with applicable laws.

DECLARATION

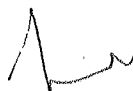
We, the Directors of the Company, hereby certify and declare that all the relevant provisions of the Companies Act and rules prescribed thereunder to the extent applicable as on this date, the guidelines issued by the Government of India and the regulations and guidelines and circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India established, including the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, in connection with the Tranche 1 Issue have been complied with and no statement made in this Tranche 1 Prospectus is contrary to the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable to this Tranche 1 Prospectus.

We further certify that all the disclosures and statements in this Tranche 1 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 1 Prospectus does not contain any misstatements.

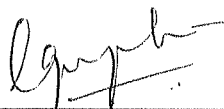
Signed by the Directors of our Company:



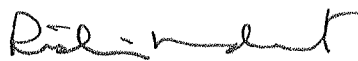
Dinanath Mohandas Dubhashi
Non-Executive Director & Chairperson
DIN:03545900



Pradeep Vasudeo Bhide
Independent Director
DIN: 03304262



Rajani Rajiv Gupte
Independent Director
DIN: 03172965



Rishi Mandawat
Non-Executive Director
DIN: 07639602

Date: 9-12-2019

Place: MUMBAI

ANNEXURE A

CREDIT RATING LETTER AND RATING RATIONALE FROM CRISIL LIMITED

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CONFIDENTIAL

APEFING/235113/RB/14112019/1
December 05, 2019

Mr. Sachinn Joshi
Chief Financial Officer
L&T Finance Limited
2nd Floor, Brindawan,
Plot -177, CST Road,
Kalina, Santacruz (E),
Mumbai - 400098

Dear Mr. Sachinn Joshi,

Re: CRISIL Rating on the Rs 5000 Crore Retail Bonds* of L&T Finance Limited

All ratings assigned by CRISIL are kept under continuous surveillance and review.

Please refer to our rating letters dated November 14, 2019 bearing Ref. no.: APEFING/235113/RB/14112019

Please find in the table below the ratings outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Retail Bonds	5000	CRISIL AAA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

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

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

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

With warm regards,

Yours sincerely,



Subha Sri Narayanan
Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



**Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures*

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 ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. 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. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available at 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.

CONFIDENTIAL

APEFING/235113/RB/14112019
November 14, 2019

Mr. Sachinn Joshi
Chief Financial Officer
L&T Finance Limited
2nd Floor, Brindawan,
Plot -177, CST Road,
Kalina, Santacruz (E),
Mumbai - 400098

Dear Mr. Sachinn Joshi,

Re: CRISIL Rating on the Rs 5000 Crore Retail Bonds* of L&T Finance Limited

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

CRISIL has, after due consideration, assigned its "CRISIL AAA/Stable" (pronounced as CRISIL triple A rating with Stable outlook) rating to the captioned debt instrument. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

For the purpose of issuance of the captioned debt instrument, this letter is valid for 180 calendar days from the date of the letter. In the event of your company not placing the above instrument within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid throughout the life of the captioned debt instrument.

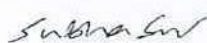
As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned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

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

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

With warm regards,

Yours sincerely,


Subha Sri Narayanan
Director - CRISIL Ratings


Nivedita Shibu
Associate Director - CRISIL Ratings



**Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures*

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 ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. 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. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. 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-
CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. Phone: +91 22 3342 3000 | Fax: +91 22 4040 5800

**Details of the Rs 5000 Crore Retail Bonds of
L&T Finance Limited**

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

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

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CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai - 400076. Phone: +91 22 3342 3000 | Fax: +91 22 4040 5800

Rating Rationale

November 14, 2019 | Mumbai

L&T Finance Limited

'CRISIL AAA/Stable' assigned to Retail Bond

Rating Action

Total Bank Loan Facilities Rated	Rs.4500 Crore
Long Term Rating	CRISIL AAA/Stable (Reaffirmed)

Rs.5000 Crore Retail Bond*	CRISIL AAA/Stable (Assigned)
Rs.14000 Crore Non Convertible Debentures	CRISIL AAA/Stable (Reaffirmed)
Rs.13500 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

*Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures

Detailed Rationale

CRISIL has assigned its 'CRISIL AAA/Stable' rating to the Rs 5000 crore retail bond issue of L&T Finance Limited (L&T Finance; part of the L&T Financial Services [LTFS] group). The LTFS group includes L&T Finance Holdings Ltd (LTFH; rated 'CRISIL AAA/Stable/CRISIL A1+') and its subsidiaries and associates. ratings on existing debt instruments have been reaffirmed at 'CRISIL AAA/Stable/CRISIL A1+'.

The rating reflects the LTFS group's strong and diversified presence across the financial services space and a well-diversified resource profile. It also centrally factors in expectation of strong support from the parent, Larsen and Toubro Ltd (L&T; rated 'CRISIL AAA/FAAA/Stable/CRISIL A1+'). These strengths are partially offset by moderate, albeit improving, asset quality.

Analytical Approach

For arriving at the rating, CRISIL has combined the business and financial risk profiles of LTFH (the holding company of the LTFS group) and its subsidiaries and associates. This is because all these entities have significant operational and management linkages and operate under a common brand. CRISIL has also factored in the strong support from the parent, L&T, given the strategic importance of the group to the parent along with the shared brand name. L&T is the majority shareholder of LTFH, with a shareholding of 63.86% as on September 30, 2019.

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

Key Rating Drivers & Detailed Description

Strengths:

* Strategic importance to, and expectation of strong support from, L&T

The LTFS group has demonstrated healthy growth and improved its return on equity (ROE) over the last few years. Due to L&T's focus on building a strong services portfolio including IT, technology and financial services, the LTFS group has been identified as a key focus area for the parent. As a result, L&T provides strategic oversight to the group and has personnel from its senior management, including the chief financial officer, on LTFH's board. L&T also has representation in some of the LTFS group's key committees, such as asset-liability, risk management and credit committees. The group also benefits from the synergies and expertise of L&T, especially in infrastructure and real estate lending. The shared name also supports the liabilities of the LTFS group.

Furthermore, the parent provides capital support to the LTFS group and has infused around Rs 3,779 crore to date (including Rs 2,000 crore in fiscal 2018). It has also provided an ongoing line of credit of Rs 2,000 crore to the LTFS group, which could be used in times of contingency. Capital support from the parent, along with internal cash accrual, is expected to keep capitalisation of the LTFS group adequate, with gearing (debt/networth) expected at around 7.0 times - not exceeding 7.5 times - on a steady-state basis.

The rating also factors in the strong support from the parent L&T, demonstrated by the articulation of its intention to (i) maintain strategic linkages and management oversight so that, among others, LTFS group conducts its business in a manner such that it honours its stakeholder obligations in a timely manner (ii) maintain majority shareholding in LTFH, and (iii) provide growth and risk capital, if and when required.

Financial services is expected to remain one of the key focus areas for L&T, which should continue to support the LTFS group.

* Strong and diversified presence across the financial services space

LTFH is the holding company for the financial services business of L&T and holds a majority stake in various subsidiaries that operate in the wholesale lending (consisting of infrastructure finance, structured finance group, debt capital markets [DCM] and real estate finance), mortgage finance (home loans and loans against property [LAP]), rural lending (farm equipment, two-wheelers, and micro loans), asset management, and wealth management businesses. In the wholesale lending segment, structured finance loans and DCM have been classified as defocused by LTFS starting from the quarter

ended June 30, 2019. In the lending space, the LTFS group has built a strong market position, with assets under management (AUM) of Rs 1,00,257 crore as on September 30, 2019. The portfolio has had a compound annual growth rate of 20% over the five fiscals through March 31, 2019. However, the growth has slowed down to 10% year-on-year as on September 30, 2019 and is expected to remain moderate in the near term.

Furthermore, the portfolio is diversified, with presence across various asset classes, such as infrastructure finance (31% of AUM as on September 30, 2019), Infra Debt Fund (IDF, 8%), real estate finance (16%), home loans (7%), LAP (4%), micro loans (13%), two-wheeler financing (6%), and farm equipment financing (8%). The group is also planning to foray into personal loans and SME business loans and has been running pilots. The remaining 7% is the defocused portfolio (consisting of products where the book is being run down), comprising the small retail portfolio (identified earlier), structured finance group, and DCM portfolio (classified since June 30, 2019).

Under the non-lending businesses, the LTFS group had sizeable average (quarterly) AUM of Rs 69,213 crore in the asset management business and closing assets under service of Rs 26,309 crore in the wealth management businesses as on September 30, 2019. In August 2019, LTFH entered into an agreement to sell its entire stake in L&T Capital Markets Ltd (LTCM; carrying out the wealth management business of the group) to IIFL Wealth Finance Ltd (rated 'CRISIL A1+') for a consideration amount of Rs 230 crore, plus the cash and cash equivalents balance of LTCM. The transaction is subject to regulatory approvals.

Going forward, the LTFS group intends to focus on growing its retail business and concentrate to grow its fee-based income to supplement the net interest margins (NIMs). Consequently, it expects higher growth in the rural and home loan portfolios. The share of the wholesale portfolio (excluding the IDF loan portfolio) has been declining steadily, from 62% as on March 31, 2016, to 54% as on September 30, 2019; the management intends to reduce the share further in the coming quarters. This shift in proportion is supported by a higher sell-down strategy in the infrastructure financing book (which also supports higher fee income) as well as through growth in the retail and housing finance portfolios. While the group continues to use its (and L&T's) expertise in the infrastructure finance segment to underwrite loans, a majority of the disbursements are now sold down. Moreover, the focus will continue to be on operational infrastructure projects in L&T Infra Debt Fund Ltd, the share of which has increased from 4% to 8% over the three fiscals through March 31, 2019. The IDF portfolio comprises projects with an average of five years of satisfactory operations and around 70% of the portfolio is either backed by a tripartite agreement or guaranteed/ supported by a government/ state authority. Furthermore, with the classification of structured finance group and the DCM book as defocused products, no additional disbursements are being done in these portfolios, and hence, their rundown should also support an increase in the share of the retail book.

*** Well- diversified resource profile**

The resource profile is diversified across capital markets and bank funding. The group is a large and frequent issuer in capital markets and has strong banking relationships. Of the total borrowing of Rs 90,050 crore as on September 30, 2019, non-convertible debentures (NCDs; including retail), commercial paper, external commercial borrowings (ECB) and bank borrowings formed 42%, 10%, 3%, and 42%, respectively. The group has raised retail NCDs of Rs 2,500 crore and ECB of around Rs 2588 crore recently.

The diversified resource profile is also reflected in the competitive average borrowing cost of 8.45% in fiscal 2019 (8.57% annualised for the first half of fiscal 2020), which is lower than most peers. L&T's parentage also supports the resource profile.

Weakness:

*** Moderate, albeit improving, asset quality**

The asset quality of the lending portfolio remains moderate. On a consolidated basis, gross stage 3 and net stage 3 assets stood at 5.98% and 2.83%, respectively, as on September 30, 2019. This is primarily contributed by higher gross stage 3 assets in the infrastructure portfolio due to legacy delinquent accounts.

In the wholesale portfolio, the ticket size remains chunky given the nature of these asset segments. Also, most of the segments in the retail portfolio have witnessed high growth in the last three years. However, with the management bringing in change in its strategy in terms of focusing on renewables and roads (for infrastructure finance), higher focus on retail loans, stronger underwriting and collection practices, better early warning systems, and focus on digitisation, the asset quality has improved over the past few quarters. The group has formed a specialised team to oversee recovery from stressed assets.

The management's ability to keep the portfolio quality in check while scaling it up will remain a monitorable. Moreover, performance of the wholesale lending portfolios will be closely monitored given the chunkiness in ticket size and sensitivity of borrowers in these segments to an environment of prolonged stretch in liquidity. Also, any deterioration in the asset quality leading to a significant decline in profitability from current levels, will be closely monitored.

Liquidity Superior

The consolidated asset-liability maturity (ALM) profile as on September 30, 2019 reflects cumulative positive liquidity gaps in all buckets up to one year, after factoring in unutilised bank lines and a committed long-term line from the parent, L&T. The group generally maintains liquidity for a minimum period of the next 30 days of upcoming repayments, under a business-as-usual as well as stress scenario. As on September 30, 2019, total debt repayment was around Rs 10,175 crore for the next three months (until December 31, 2019). Against this, liquidity included cash and liquid investments (Rs 3,381 crore), unutilised bank lines (Rs 6,227 crore), and a committed line from L&T (Rs 2,000 crore). Furthermore, collections from advances expected during these three months were about Rs 7,214 crore, further supporting liquidity.

Outlook: Stable

CRISIL believes LTFS will remain highly strategically important to L&T and continue to benefit from the strong support from the parent over the medium term. Furthermore, it is expected to maintain its strong and diversified presence across the

financial services space and a well-diversified resource profile.

Rating sensitivity factors

Downward factors

- * Decline in L&T's credit risk profile by one notch could lead to a similar rating change for LTFH and its subsidiaries
- * Any material change in the shareholding or support philosophy of L&T for the LTFS group
- * Weakening in the capital structure of the LTFS group, with gearing exceeding 7.5 times on a steady-state basis, and/or deterioration in asset quality leading to a substantial decline in profitability

About the LTFS group

The group has a diversified product portfolio, with presence in wholesale as well as retail finance segments. Over the past couple of years, the management has exited some lending asset classes and currently caters to limited segments, such as farm equipment finance, two-wheeler finance, micro loans, housing and real estate finance and infrastructure finance. As part of this strategy, the supply chain financing portfolio was sold to Centrum Financial Services Ltd in fiscal 2019. Furthermore, structured finance group and DCM were identified and classified as part of the defocused book during the quarter ended June 30, 2019. The group also has presence in wealth and asset management businesses. As on September 30, 2019, LTFH's consolidated network was Rs 13,981 crore.

In fiscal 2019, on a consolidated basis, profit after tax (PAT) was Rs 2,232 crore on total income of Rs 13,302 crore against Rs 1,278 crore and Rs 10,266 crore, respectively, for the previous fiscal. For the half year ended September 30, 2019, PAT was Rs 724 crore (PAT of Rs 1197 crore before the one-time impact of DTA) on total income of Rs 7,401 crore (against Rs 1,099 crore and Rs 6,473 crore, respectively, for the corresponding period of the previous fiscal).

About the company

L&T Finance Ltd is a non-banking finance company (NBFC) incorporated in 1993 and wholly held by LTFH. It had AUM of Rs 50,127 crore as on September 30, 2019, comprising micro loans (26% of total AUM), farm equipment loans (16%), two-wheeler loans (12%), LAP (0.6%), real estate financing (22%), infrastructure loans (14%) and balance in defocused. The gross and net stage 3 assets were 4.76% and 2.44% respectively as on September 30, 2019 (3.59% and 1.24%, respectively, as on March 31, 2019). Networth and gearing were Rs 8994 crore and 5.02 times, respectively, as on September 30, 2019. In fiscal 2019, the company reported a PAT of Rs 846 crore on total income of Rs 7,383 crore against Rs 117 crore and Rs 5,071 crore, respectively, for the previous fiscal. For the half year ended September 30, 2019, PAT and total income were Rs 141 crore and Rs 4453 crore, respectively (Rs 448 crore and Rs 3372 crore, respectively, for the corresponding period of the previous fiscal). PAT before the one time impact of DTA was at Rs 345 crore for the half year ended September 30, 2019.

Key Financial Indicators - L&T Finance Holdings Ltd (consolidated; as per Indian Accounting Standard)

As on/For the quarter ended	Unit	September 30, 2019	September 30, 2018
Total Assets	Rs crore	1,05,006	1,00,065
Total income	Rs crore	7,401	6,473
PAT	Rs crore	724	1099
Gross stage 3	%	6.0	7.1
Return on assets	%	1.4	2.3
Gearing	Times	6.4	7.0

Any other information: Not applicable

Note on complexity levels of the rated instrument:

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Annexure - Details of Instrument(s)

ISIN	Name of the instrument	Date of issuance	Coupon rate (%)	Maturity Date	Size of the issue (in Crore)	Rating assigned along with Outlook
NA	Non-Convertible Debentures [^]	NA	NA	NA	14,000	CRISIL AAA/Stable
NA	Proposed Long Term Bank Loan Facility ^{**}	NA	NA	NA	4,500	CRISIL AAA/Stable
NA	Commercial paper Programme	NA	NA	7-365 days	13,500	CRISIL A1+
NA	Retail Bonds ^{^***}	NA	NA	NA	5,000	CRISIL AAA/Stable

[^]Not yet issued

^{**}Interchangeable with short term bank facility

^{***}Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible

Annexure - List of entities consolidated

Entity consolidated	Extent of consolidation	Rationale for consolidation
L&T Finance Holdings Ltd	Full	Holding Company
L&T Infrastructure Finance Company Ltd	Full	Subsidiary
L&T Investment Management Ltd	Full	Subsidiary
L&T Mutual Fund Trustee Ltd	Full	Subsidiary
L&T Financial Consultants Ltd	Full	Subsidiary
L&T Housing Finance Ltd	Full	Subsidiary
L&T Finance Ltd	Full	Subsidiary
L&T Capital Markets Ltd	Full	Subsidiary

L&T Infra Investment Partners Advisory Pvt Ltd	Full	Subsidiary
L&T Infra Investment Partners Trustee Pvt Ltd	Full	Subsidiary
L&T Infra Debt Fund Ltd	Full	Subsidiary
Mudit Cement Pvt Ltd	Full	Subsidiary
L&T Capital Markets (Middle East) Limited	Full	Subsidiary
L&T Infra Investment Partners	Proportionate	Subsidiary

Annexure - Rating History for last 3 Years

Instrument	Current			2019 (History)		2018		2017		2016		Start of 2016
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Commercial Paper	ST	13500.00	CRISIL A1+	04-10-19	CRISIL A1+		--		--		--	--
Non Convertible Debentures	LT	0.00 14-11-19	CRISIL AAA/Stable	04-10-19	CRISIL AAA/Stable		--		--		--	--
Retail Bond	LT	0.00 14-11-19	CRISIL AAA/Stable		--		--		--		--	--
Fund-based Bank Facilities	LT/ST	4500.00	CRISIL AAA/Stable	04-10-19	CRISIL AAA/Stable		--		--		--	--

All amounts are in Rs.Cr.

Annexure - Details of various bank facilities

Current facilities			Previous facilities		
Facility	Amount (Rs.Crore)	Rating	Facility	Amount (Rs.Crore)	Rating
Proposed Long Term Bank Loan Facility**	4500	CRISIL AAA/Stable	Proposed Long Term Bank Loan Facility**	4500	CRISIL AAA/Stable
Total	4500	--	Total	4500	--

**Interchangeable with short term bank facility

Links to related criteria

[Rating Criteria for Finance Companies](#)

[CRISILs Criteria for Consolidation](#)

[CRISILs Criteria for rating short term debt](#)

[Criteria for Notching up Stand Alone Ratings of Companies based on Parent Support](#)

For further information contact:

Media Relations	Analytical Contacts	Customer Service Helpdesk
Saman Khan Media Relations CRISIL Limited D: +91 22 3342 3895 B: +91 22 3342 3000 saman.khan@crisil.com	Krishnan Sitaraman Senior Director - CRISIL Ratings CRISIL Limited D: +91 22 3342 8070 krishnan.sitaraman@crisil.com	Timings: 10.00 am to 7.00 pm Toll free Number: 1800 267 1301 For a copy of Rationales / Rating Reports: CRISILratingdesk@crisil.com
Naireen Ahmed Media Relations CRISIL Limited D: +91 22 3342 1818 B: +91 22 3342 3000 naireen.ahmed@crisil.com	Subhasri Narayanan Director - CRISIL Ratings CRISIL Limited D: +91 22 3342 3403 subhasri.narayanan@crisil.com	For Analytical queries: ratingsinvestordesk@crisil.com
	Sonica Gupta Rating Analyst - CRISIL Ratings CRISIL Limited D: +91 22 3342 3531 Sonica.Gupta@crisil.com	

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ANNEXURE B

CREDIT RATING LETTER AND RATING RATIONALE FROM CARE

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No. CARE/HO/RL/2019-20/3579

Mr. Sachinn Joshi

Group CFO

L&T Finance Ltd. (erstwhile Family Credit Ltd),

L&T Financial Services Group,

2nd Floor, Brindavan Bldg, Plot no.177,

Kalina, Santacruz (East),

Mumbai - 400098

December 06, 2019

Confidential

Dear Sir,

Credit rating for Public issue of Long-term debt programme

(Secured Redeemable Non- Convertible Debentures/ Unsecured Subordinated

Redeemable Non-convertible Debenture)

Please refer to our letter dated November 15, 2019 and your request for revalidation of the ratings assigned to the proposed long-term non-convertible debenture/Sub debt (NCD) Public issue aggregating to Rs. 5000 crore of your company.

2. The following ratings have been reviewed by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures	5000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Reaffirmed
Total	5000.00 (Rs. Five Thousand crore only)		

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of this letter.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 Investors
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6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
7. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
8. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
9. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

10. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.

11. CARE ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

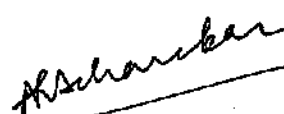
Thanking you,

Yours faithfully,



Pankaj Chaplot
Analyst

pankaj.chaplot@careratings.com



Aditya Acharekar
Associate Director

aditya.acharekar@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated Instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

No. CARE/HO/RL/2019-20/3356

Mr. Sachinn Joshi

Group CFO

L&T Finance Ltd. (erstwhile Family Credit Ltd),

L&T Financial Services Group,

2nd Floor, Brindavan Bldg, Plot no.177,

Kalina, Santacruz (East).

Mumbai - 400098

November 15, 2019

Confidential

Dear Sir,

Credit rating for Public issue of Long-term debt programme

(Secured Redeemable Non- Convertible Debentures/ Unsecured Subordinated

Redeemable Non-convertible Debenture)

Please refer to your request for rating of proposed long-term non-convertible debenture/Sub debt (NCD) Public issue aggregating to Rs. 5000 crore of your company.

2. The following ratings have been assigned by our Rating Committee:

Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures	5000.00	CARE AAA; Stable (Triple A; Outlook: Stable)	Assigned
Total	5000.00 (Rs. Five Thousand crore only)		

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of **six months** from the date of our initial communication of rating to you (that is November 15,2019)

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
7. The rationale for the rating will be communicated to you separately.
8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
9. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instrument, CARE shall carry out the review on the basis of best available information throughout the life time of such instrument. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating

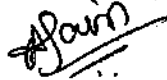
downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

11. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
12. CARE ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,


Akansha Jain
Rating Analyst
akansha.jain@careratings.com


Aditya Acharekar
Associate Director
aditya.acharekar@careratings.com

Encl.: As above

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

L&T Finance Ltd.
(Erstwhile Family Credit Ltd.)
November 19, 2019

Ratings

Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures	5000	CARE AAA; Stable [Triple A; Outlook: Stable]	Assigned
Total	5000 (Rupees Five thousand crore only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The ratings continue to factor in the strategic importance of L&T Finance Holdings Limited (LTFHL) to the L&T group as the flagship holding company of the group's financial services business. The same is reflected through maintaining of ownership, sharing of the L&T brand name along with continued financial and management support.

Further, the ratings continue to draw comfort from experienced management and LTFHL's strong resource raising ability coupled with comfortable liquidity position. CARE has also taken into account the diversified revenue streams through various subsidiaries in the wholesale and retail lending segment, with increasing proportion of retail portfolio, though at present the wholesale portfolio constitutes a larger share.

The ratings also take into account moderate but improving asset quality and strong growth with improving profitability. On a consolidated basis, the high concentration in the wholesale portfolio along with the high growth in the relatively riskier asset classes including micro loans, two wheeler and real estate and will remain as key rating monitorable. The ratings also take into account relatively high gearing levels on a consolidated basis. LTFH management expects gearing levels to not significantly increase from the existing levels, considering healthy internal accruals and relatively lower growth in the loan portfolio.

Continued support from L&T, maintaining profitability and asset quality considering the change in the product-mix are the key ratings sensitivities.

Rating sensitivities*Negative Factors*

- Weakening of parent's credit profile
- Material deterioration in asset quality for LTFHL group.
- Increase in gearing (Debt/Net-worth) beyond 9x levels at LTFHL group level.

Detailed description of the key rating drivers**Key Rating Strengths****Strong parentage and strategic importance for the parent company/group**

L&T is a major technology, engineering, construction, manufacturing and financial services conglomerate, with global operations. L&T operates in sectors like hydrocarbon, infrastructure, power, process industries and defence for customers in over 30 Countries around the World. L&T's total consolidated debt stands at Rs.1256 billion as on March 31, 2019 with a market capitalization of approx. Rs.1953 billion. LTFHL is in the financial service space and group's flagship holding co. L&T group considers LTFHL group strategically important, which is reflected through brand linkages and financial and managerial support. Besides LTFHL also benefits from the expertise of L&T Limited in infrastructure segment, however LTFHL does not lend against any infrastructure projects of L&T. In terms of representation from L&T, Mr. R. Shankar Raman (currently serving a whole-time director and CFO at L&T Limited) is on L&TFH board as a non-executive director and he is also a member of CSR Committee and Risk Management Committee. Also, Mr. Thomas Mathew (who is an independent director at L&T Ltd) is an independent director at LTFHL and also a chairperson in Nomination and Remuneration Committee and Audit Committee. Further there has been instances of equity infusion in the past & extension of credit line of Rs.2000 crore which indicate continuous support from the parent. L&T Ltd had recently infused equity capital of Rs.2000 crore in FY18.

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Strong growth in portfolio along with improving profitability

During FY19, the LTFHL consolidated PAT stood at Rs.2232 crore as against Rs.1278 crore (reinstated) as compared to FY18 showing a y-o-y growth of 74%. There has been also a strong growth in the loan portfolio which stood at Rs.91,325 crore as on March 31, 2019 as against Rs.77,088 crore as on March 31, 2018 showing a y-o-y rise of 18%. The fee income has increased because of increased contribution from retail businesses. The fee income is well diversified with major contributions from sell-down, cross sell, advisory fee & fee income from mutual fund business. During FY19, LTFHL has done incremental provisions and macro-prudential provisions to take care of any additional volatility in asset performance going forward. During FY19, NIM stood at 5.67% as against 4.76% in FY18. This is primarily because of the increase in proportion of portfolio fetching higher yields. Operating expenses as a % of total assets has increased from 1.67% (reinstated) in FY18 to 1.93% in FY19. This is primarily on account of rise in the retail book which has increased the employee as well as other operational costs. For FY19, ROTA and RONW stood at 2.29% and 21.01% respectively, as against 1.60% and 12.12% in FY18. On a standalone basis, during FY19, total income of LTFHL increased substantially by 46% to Rs.7383 crore from Rs.5071 crore in FY18 due to the growth in the rural book which comprises of high yielding assets. The net interest income rose from Rs. 2463 crore in FY18 to Rs.3684 crore in FY19. On account of which the Net interest Margin improved to 7.4% in FY19 from 6.1% in FY18. The operating expense to average assets remained stable at 2.60% in FY19 (FY18: 2.4%). The provision to average assets also declined from 1.96% in FY18 to 1.34% in FY19 due to improvement in the asset quality. The profit of the company rose from Rs. 117 crore in FY18 to Rs.846 crore in FY19. Consequently, the ROTA improved from 0.3% in FY18 to 1.7% in FY19.

Strong Resource Raising Ability and Capital Position

The consolidated capital adequacy ratio stands at 17.85% as on March 31, 2019 (Tier I Ratio stands at 14.56%). Thus, there is sufficient headroom to raise Tier II capital. As on March 31, 2019, Tangible networth stood at Rs. 11632 crore. In terms of resource mobilization, company has been able to raise Rs.2500 crore through retail NCD's in two tranches i.e. in Mar 19 & April 19 respectively. It has also raised Rs.1152 crore from IFC. It has plans to further diversify its borrowings through ECB's, USD Bonds and Masala bonds. The Company also has through its subsidiaries entered into a definitive agreement with Apis Growth Fund-II for a minority stake sale of upto 25.1% in L&T Infra Debt Fund Ltd; of this equity infusion around 70% will be towards primary capital infusion.

The capital adequacy ratio of LTFHL stands at 16.98% (above the regulatory requirement of 15%) and Tier I capital ratio stands at 15.22% as on March 31, 2019. The tangible net worth of the company was Rs.6807 crore as on March 31, 2019 as against the tangible net worth of Rs. 5608 crore as on March 31, 2018. The tangible net worth stood at Rs. 7310 crore as on September 30, 2019.

Comfortable liquidity profile

The consolidated ALM profile as on September 30, 2019 had cumulative positive mismatches upto 1year bucket. As on 30th September, 2019, Rs. 11,607 Cr of liquidity is maintained in the form of cash, FD and other liquid assets aggregating to Rs.3380 crore, undrawn bank lines of Rs.6227 crore alongwith back up line from L&T of Rs.2000 crore.

Diversified revenue streams through direct and indirect subsidiaries that have moderate track record albeit growth coming from the high yielding segments and relatively riskier asset class

LTFHL has presence across various financial services like corporate and retail finance and infrastructure through its subsidiaries and investment management services through step-down subsidiaries. In retail finance, company primarily deals in two wheeler, micro loans, farm equipment and housing loans, whereas in wholesale, it primarily does infrastructure finance and real estate finance. The remaining wholesale book has been classified as defocused book ie DCM and Structured Finance book which stands at Rs.7203 crore as on September 30, 2019.

The growth in FY19 has come from retail segment with two wheeler and micro loans showing higher growth and from real estate in the wholesale segment. In the micro loans, the customer profile is from lower socio economic background; hence this segment is prone to event risks such as political, socio-economic and natural calamities. The asset quality is highly volatile during occurrence of such event risks. In the farm equipment financing, cashflows are subjected to volatilities in the rainfall conditions in any geographies. The real estate sector is witnessing slowdown and experiencing heightened refinancing risk, and therefore the asset quality in this segment is a key monitorable. To mitigate, the risks in the real estate book, exposure are taken on the basis of evaluation of the project, developer, location and stage of construction, sales velocity etc. Further it has control over cashflows through creation of escrow accounts, control over vendor payment and focussed & continuous monitoring of the project.

Key Rating Weakness

Moderate Asset Quality

From FY19 onwards, company adopted ECL model for classification of advances in Stage I, Stage II and Stage III and consequent provisioning on the same. The company has post adoption of ECL model, done incremental provisioning of

around Rs.1800 crore through reserves as on April 01, 2017. The GNPA and NNPA of FY18 pre-adoption of Ind AS stood at 4.80% and 2.34%. Post adoption of Ind AS, Gross stage 3 and Net Stage 3 stands at 8.71% and 3.34% as on March 31, 2018. Gross stage 3 and Net Stage 3 reduced to 5.90% and 2.4% respectively as on March 31, 2019.

Even the provision coverage ratio has increased from 55.5% as on March 31, 2018 to 61% as on March 31, 2019. During FY19, company has made net incremental provisions of Rs.700.88 crore. As on September 30, 2019, Gross Stage 3 and Net Stage 3 stood at 5.98% and 2.83% respectively.

At a standalone level, the Gross Stage 3 and Net Stage 3 ratio was 3.6% (Mar-18- GNPA 6.07%) and 1.2% (Mar-18- NNPA 2.81%) respectively as on March 31, 2019. Net NPA to net worth ratio was 8.5%. The Gross Stage 3 and Net Stage 3 ratio was 4.76% and 2.44% respectively as on September 30, 2019.

Relatively high gearing but capitalization is supported by timely equity infusion from parent

As on March 31, 2019, gearing (debt to tangible networth) at consolidated levels stood at 7.87x. Furthermore, the gearing had reduced to 7.57 times as on September 30, 2019. As per the LTFH management, the gearing levels are not expected to significantly increase from the existing levels also on account of healthy internal accruals and relatively lower growth in the loan portfolio. The Interest coverage has shown an increase from 1.27x times as on March 31, 2018 to 1.44x as on March 31, 2019.

The gearing of LTFH stood at 6.74 times as on March 31, 2019 as compared to 6.32 times as on March 31, 2018. The gearing decreased to 6.08 times as on September 31, 2019. The interest coverage has improved from 1.06 times in FY18 to 1.39 times in FY19.

Concentration in wholesale book

The lending activity of L&T Group can be divided primarily into 2 broad classes. Rural finance which comprises of farm equipment, housing loans, two wheeler and micro loans. Wholesale book comprises of Real Estate and Infrastructure Finance. Company has classified DCM and Structured Finance Corp as a defocused book, which constitute 7% of the outstanding book as on September 30, 2019. Wholesale book occupies 55% of the outstanding book as on September 30, 2019. Though the company has plans to increase its retail book going forward, but currently wholesale book continues to remain a larger part of the outstanding portfolio.

Liquidity Profile- Strong: The consolidated ALM profile as on September 30, 2019 had cumulative positive mismatches upto 1year bucket. As on 30th September, 2019, Rs. 11,607 Cr of liquidity is maintained in the form of cash, FD and other liquid assets aggregating to Rs.3380 crore, undrawn bank lines of Rs.6227 crore along-with back up line from L&T of Rs.2000 crore. The liquidity is maintained over and above the expected collections of Rs. 29,946 crore, against the repayment of Rs.24,386 crore in the next one year. The group's resource raising capability through integrated treasury also provides comfort.

Analytical approach:

L&T Finance Holdings Ltd the flagship company of the L&T group, owns 100% in most of its subsidiaries and the management/line functions for these businesses is common with significant operational and financial integration among them. Accordingly, CARE has considered a consolidated view for arriving at the rating. The list of the subsidiaries considered for consolidation are as per Annexure 3.

Applicable Criteria

[Criteria on assigning Outlook and Credit Watch to Credit Ratings](#)

[CARE Policy on Default Recognition](#)

[Financial ratios - Financial Sector](#)

[Consolidation and Factor Linkages in Ratings](#)

[Rating Methodology- Non Banking Finance Companies](#)

[Criteria for Market Linked Notes/Debentures](#)

About the Company

LTFHL is RBI registered Non-Banking Finance Company - Core Investment Company (NBFC – CIC) and holding company for the financial services entities of the L&T group. As on March 31, 2019, L&T held 64.01% equity stake in LTFHL. The group has three key business segments, namely rural finance (comprising farm equipment, two wheeler and micro loans), housing finance (comprising home loans, LAP and real estate finance) and wholesale lending (comprising infra finance and structured corporate loans).

Brief Financials (Rs. crore)	FY18(A)*	FY19(A)*
Total income	10.266	13.302
PAT	1.277	2.232
Interest coverage (times)	1.27	1.44
Total Assets	87,776	1,06,055
Net Stage 3 (%)	3.3	2.4
ROTA (%)	1.6	2.29

A: Audited *Financials as per Ind-AS

About LTF

LTF was originally incorporated as Apeejay Finance Group Ltd. in 1993. In September, 2006, Societe Generale Consumer Finance (SGCF), a division of Societe Generale Group, France, acquired 45% stake in the company and gradually increased its stake to 100% by October 2007. Subsequently, the company's name was changed to Family Credit Limited (FCL). In December 2012, LTFHL (rated CARE AAA; Stable); the flagship holding company for the financial services of the L&T Group acquired 100% shareholding in FCL. During March'17, L&T Finance Limited (pre-merger) and L&T FinCorp Limited amalgamated with Family Credit Limited. The amalgamated entity was renamed as L&T Finance Limited. As on March 31, 2019, LTF had loan portfolio of Rs. 48947 crore.

L&T Finance Ltd (erstwhile Family Credit Ltd)

Brief Financials* (Rs. crore)	FY18 (A)	FY19(A)
Total income	5071	7,383
PAT	117	846
Overall Gearing (times)	6.32	6.74
Total Assets (adjusted for Intangible assets and Deferred Tax assets)	41,496	53,754
Gross Stage 3 (%)	6.1	3.6
ROTA (%) (PAT/Average Total Assets)	0.3	1.7

A: Audited *Financials as per IND AS

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Public Issue of Secured Redeemable Non-Convertible Debentures and/or Unsecured Subordinated Redeemable Non-Convertible Debentures (Proposed)	-	-	-	500.0	CARE AAA; Stable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Debentures-Non Convertible	LT	300.00	CARE AAA; Stable	1) CARE AAA; Stable	1) CARE AAA; Stable	1) CARE AAA; Stable	1) CARE AA+; Stable

	Debentures				(21-Aug-19)	(08-Oct-18)	(16-Mar-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	(30-Dec-16) 2)CARE AA+ (04-Nov-16)
2.	Commercial Paper	ST	18500.00	CARE A1+	1)CARE A1+ (21-Aug-19)	1)CARE A1+ (08-Oct-18)	1)CARE A1+ (26-Feb-18) 2)CARE A1+ (09-Oct-17) 3)CARE A1+ (07-Jul-17) 4)CARE A1+ (17-Apr-17)	1)CARE A1+ (21-Mar-17) 2)CARE A1+ (30-Dec-16) 3)CARE A1+ (04-Nov-16) 4)CARE A1+ (30-Jun-16)
3.	Borrowings-Secured Long Term Borrowings	LT	2300.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18) 2)CARE AAA; Stable (08-Mar-19)	1)CARE AAA; Stable (30-Mar-18) 2)CARE AAA; Stable (26-Feb-18) 3)CARE AA+; Positive (09-Oct-17) 4)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (30-Dec-16) 2)CARE AA+ (04-Nov-16)
4.	Debt-Subordinate Debt	LT	100.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (30-Dec-16) 2)CARE AA+ (04-Nov-16)
5.	Debentures-Non Convertible Debentures	LT	300.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (30-Dec-16) 2)CARE AA+ (04-Nov-16)

6.	Debt-Subordinate Debt	LT	50.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (30-Dec-16) 2)CARE AA+ (04-Nov-16)
7.	Debentures-Non Convertible Debentures	LT	400.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (30-Dec-16) 2)CARE AA+ (04-Nov-16)
8.	Debentures-Non Convertible Debentures	LT	350.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (30-Dec-16) 2)CARE AA+ (04-Nov-16)
9.	Debentures-Non Convertible Debentures	LT	750.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (30-Dec-16) 2)CARE AA+ (04-Nov-16)
10.	Debt-Subordinate Debt	LT	75.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (30-Dec-16) 2)CARE AA+ (04-Nov-16)
11.	Debt-Subordinate Debt	LT	100.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+;	1)CARE AA+; Stable (30-Dec-16) 2)CARE AA+ (04-Nov-16) 3)CARE AA+ (06-Apr-16)

							Stable (17-Apr-17)	
12.	Debt-Perpetual Debt	LT	100.00	CARE AA+; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AA+; Stable (08-Oct-18)	1)CARE AA+; Stable (26-Feb-18) 2)CARE AA; Positive (09-Oct-17) 3)CARE AA; Stable (17-Apr-17)	1)CARE AA; Stable (30-Dec-16) 2)CARE AA (04-Nov-16) 3)CARE AA (06-Apr-16)
13.	Debentures-Non Convertible Debentures	LT	4400.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (08-Mar-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (21-Mar-17)
14.	Debt-Subordinate Debt	LT	350.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (21-Mar-17)
15.	Debentures-Non Convertible Debentures	LT	600.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	1)CARE AA+; Stable (21-Mar-17)
16.	Debt-Perpetual Debt	LT	250.00	CARE AA+; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AA+; Stable (26-Feb-18) 2)CARE AA; Positive (09-Oct-17) 3)CARE AA; Stable (17-Apr-17)	1)CARE AA; Stable (21-Mar-17)
17.	Fund-based - LT-Term Loan	LT	18450.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18) 2)CARE AAA; Stable	1)CARE AAA; Stable (30-Mar-18) 2)CARE AAA; Stable	-

						(08-Mar-19)	(26-Feb-18) 3)CARE AA+; Positive (09-Oct-17) 4)CARE AA+; Stable (17-Apr-17)	
18.	Debt-Perpetual Debt	LT	150.00	CARE AA+; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AA+; Stable (26-Feb-18) 2)CARE AA; Positive (09-Oct-17) 3)CARE AA; Stable (17-Apr-17)	-
19.	Fund-based - LT-Term Loan	LT	5250.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18) 2) CARE AAA; Stable (08-Mar-19)	1)CARE AAA; Stable (30-Mar-18) 2)CARE AAA; Stable (26-Feb-18) 3)CARE AA+; Positive (09-Oct-17) 4)CARE AA+; Stable (17-Apr-17)	-
20.	Debt-Subordinate Debt	LT	625.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	-
21.	Debentures-Non Convertible Debentures	LT	3625.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (08-Oct-18)	1)CARE AAA; Stable (26-Feb-18) 2)CARE AA+; Positive (09-Oct-17) 3)CARE AA+; Stable (17-Apr-17)	-
22.	Commercial Paper-Commercial Paper (IPO Financing)	ST	0.00	Withdrawn	-	1)CARE A1+ (25-Jul-18) 2)Withdrawn (23-Jul-18) 3)Withdrawn (21-Jun-18) 4)CARE A1+	1)CARE A1+ (30-Mar-18) 2)Withdrawn (08-Mar-18) 3)CARE A1+ (16-Jan-18) 4) Withdrawn	-

						(21-Jun-18)	(07-Dec-17) 5)CARE A1+ (09-Oct-17)	
23.	Debentures-Market Linked Debentures	LT	500.00	CARE PP-MLD AAA; Stable	1) CARE PP-MLD AAA;; Stable (21-Aug-19)	1)CARE PP-MLD AAA; Stable (08-Oct-18)	1)CARE PP-MLD AAA; Stable (26-Feb-18) 2)CARE PP-MLD AA+; Positive (05-Dec-17)	-
24	Debenture-Non-Convertible Debentures	LT	1000.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (05-Sept-18)	-	-
25	Debenture- Non-Convertible Debentures/ Subordinate Debt	LT	5000.00	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1)CARE AAA; Stable (31-Dec-18) 2)CARE AAA; Stable (25-Dec-18)	-	-
26	Debenture-Non-Convertible Debentures	LT	4375	CARE AAA; Stable	1) CARE AAA; Stable (21-Aug-19)	1) CARE AAA; Stable (08-Mar-19)	-	-
27	Debentures-Market Linked Debentures	LT	1000	CARE PP-MLD AAA; Stable	1) CARE PP-MLD AAA; Stable (21-Aug-19) 2)CARE PP-MLD AAA; Stable (23-May-19)	-	-	-
28	Debenture- Non-Convertible Debentures/ Subordinate Debt	LT	5000	CARE AAA; Stable	-	-	-	-

Annexure-3: List of subsidiaries/associates considered for consolidation

Sr. No	Name of Company
1	L&T Infrastructure Finance Company Limited
2	L&T Investment Management Limited
3	L&T Mutual Fund Trustee Limited
4	L&T Financial Consultants Limited (erstwhile known as L&T Vrindavan Properties Limited)
5	L&T Infra Investment Partners Advisory Private Limited
6	L&T Infra Investment Partners Trustee Private Limited
7	L&T Finance Limited (erstwhile known as Family Credit Limited)
8	L&T Housing Finance Limited
9	L&T Capital Markets Limited
10	L&T Infra Debt Fund Limited
11	Mudit Cements Private Limited
12	L&T Infra Investment Private Limited

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Contact us

Media Contact

Mradul Mishra

Contact no. – +91-22-6837 4424

Email ID – mradul.mishra@careratings.com

Analyst Contact

Mr. Ravi Kumar

Tel: 022-67543421

Mobile: + 91-9004607603

Email: ravi.kumar@careratings.com

Business Development Contact

Mr. Ankur Sachdeva

Contact no. : + 91 98196 98985

Email: ankur.sachdeva@careratings.com

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

***For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

ANNEXURE C

CREDIT RATING LETTER AND RATING RATIONALE FROM INDIA RATINGS

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Mr. Sachinn Joshi
Group Chief Financial Officer,
L&T Finance Limited,
5th Floor, City-2, Kalina,
Santacruz (East),
Mumbai – 400098

November 18, 2019

Dear Mr. Sachinn Joshi,

Re: Rating of L&T Finance Limited's (LTFL)

India Ratings (see definition below) assigns the following ratings for LTFL:-

INR 50bn secured redeemable non-convertible debentures [public issue]: 'IND AAA' with Stable Outlook (the rated limit is interchangeable with unsecured subordinated redeemable non-convertible debentures [public issue])
- The NCDs are yet to be issued.

India Ratings (see definition below) communicates the following ratings for LTFL:-

INR 58bn (Reduced from INR 78bn) non-convertible debentures: 'IND AAA' with Stable Outlook.
- Of the above LTFL has issued INR 54.10bn (outstanding as of end-September'19: INR 44.10bn).

INR 50bn secured redeemable non-convertible debentures [public issue]: 'IND AAA' with Stable Outlook (the rated limit is interchangeable with unsecured subordinated redeemable non-convertible debentures [public issue/private issue])

- Of the above LTFL has issued INR 25bn.

INR 2bn unsecured subordinated redeemable non-convertible debentures: 'IND AAA' with Stable Outlook.
- Of the above LTFL has issued INR 0.26bn

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

Users of India Ratings' ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

Ratings are based on established criteria and methodologies that India Ratings is continuously evaluating and updating. Therefore, ratings are the collective work product of India Ratings and no individual, or group of individuals, is solely responsible for a rating. All India Ratings reports have shared authorship. Individuals identified in an India Ratings report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. India Ratings is not your advisor, nor is India Ratings providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find India Ratings' ratings to be important information, and India Ratings notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating to investors.

It is important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch at any time due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, "**India Ratings**" means India Ratings & Research Pvt. Ltd. and any successor in interest.

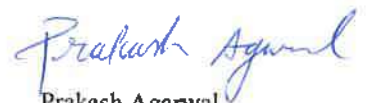
We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at +91 22 4000 1700.

Sincerely,

India Ratings



Rakesh Valecha
Senior Director



Prakash Agarwal
Director

India Ratings Assigns L&T Finance's Additional NCDs 'IND AAA'/Stable

15

NOV 2019

By Apurva Naik

India Ratings and Research (Ind-Ra) has taken the following actions on L&T Finance Limited's (LTFL) debt instruments:

Instrument Type	Date of issuance	Coupon Rate	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
Non-convertible debentures (NCDs)/bank borrowings/subordinated debt^	-	-	-	INR90	WD	Withdrawn
NCDs (public issue/private issue)/bank borrowings/subordinated debt	-	-	-	INR110	IND AAA/Stable	Affirmed
NCDs (public issue)#	-	-	-	INR50	IND AAA/Stable	Assigned

^ The company did not proceed with the instrument as envisaged. Out of INR90 billion limits shared by LTFL, L&T Infrastructure Finance Company (LTIF; 'IND AAA'/Stable) and L&T Housing Finance Limited (LTHF; 'IND AAA'/Stable), NCDs worth INR40 billion have been allocated to LTIF and the remaining INR50 billion have been allocated to LTFL.

* Details in Annexure

Yet to be issued

Analytical Approach: Ind-Ra continues to take consolidated view of the parent L&T Finance Holdings Limited (LTFHL; 'IND AAA'/Stable) and its 100% (direct and indirect) operating subsidiaries LTIF, LTHF and LTFL (together referred to as financial services) for the ratings. This is because of the financial and operational flexibilities that the consolidated finance platform offers to itself as well as to the borrowers.

KEY RATING DRIVERS

L&T Group's High Propensity and Ability to Support: Financial services is among the high growth and profitability businesses in the L&T group and has received regular capital infusions (about INR38 billion) from the group since inception. The L&T group has a strong operating profile with adequate resources in terms of on-book liquidity, ability to raise funds from banks as well as capital markets and assets/investments that can be monetised to support financial services' growth and liquidity requirements.

The L&T group has articulated that financial services is a core and integral part of its strategy and is likely to be one of the key value drivers for the group. The group maintains strategic linkages, management oversight and control, majority shareholding and provide support lines (INR20 billion) towards financial services on an ongoing basis. The management also indicated fungibility with financial services in terms of capital and liquidity over the long term. Ind-Ra expects financial services to contribute about 20% to the group's profits in the medium term.

Diversified Business Segments: LTFL is the largest subsidiary of LTFHL by loan book size (2QFY20: 49% of the total loans). It houses high-growth rural business segments such as micro loans, tractor and two-wheeler financing of the entire LTFHL platform. It also has real estate developer loans (2QFY20: which forms 22% of LTFL's book and 69% of developer loans across the LTFHL platform) and wholesale finance including infrastructure and structured corporate finance (24% of LTFL's book) on its books. LTFL's exposure to wholesale clients declined during FY19 as the other businesses ramped up aggressively and the allocated growth capital and liquidity for this segment is lower than that for rural and housing segments. The assets in infrastructure, corporate finance and real estate financing are booked in LTFL and other operating entities, based on the available liquidity and tenors, capital availability and regulations.

Moderate Standalone Asset Quality: Overall, LTFL's gross stage 3 assets were about 4.76% of the total assets under management in 2QFY20. The rural business has lower gross stage 3 assets at 3.6% post write-off and recoveries on the demonetisation impacted portfolio, than other businesses. Ind-Ra expects the microfinance business to witness additional pressure on account of the early delinquencies witnessed especially in Odisha; the macro-prudent provisions of INR1.8 billion could help mitigate the credit cost expectations in the rural business. The company's infrastructure lending vertical (that houses large legacy originations too) has the highest stage 3 assets (2QFY20: 4.1%). The provision coverage towards stage 3 stood at 50% at 2QFY20.

Ind-Ra expects the asset quality to remain steady, given that the resolution process for some of the stressed assets in wholesale book may be completed over the next one year while fresh slippages could be from the rural and real estate segments. The real estate lending model incorporates longer tenor loans, market intelligence operations, technical evaluations and early warning based internal reporting across the loan tenure. This implies that potential stresses in the real estate book, in the agency's opinion, could show up later than for other lenders while providing LTFHL more time to resolve project-level issues.

Liquidity Indicator - Adequate: The treasury operations and management are well integrated for LTFHL and its operating subsidiaries. In terms of asset liability management (ALM), at 2QFY20, the cumulative short-term positive mismatch (inflows exceed outflows) in the short-term maturity buckets was 17.91% of the total assets, including prepayments budgeted based on past behaviour and excluding committed lines from banks and the L&T group. Excluding prepayments, the mismatch decreased to 13.29% (INR95.91 billion) of the total assets at end-September 2019 with no cumulative gaps in any bucket up to one year. LTFL also had unavailed bank lines of INR20.25 billion as at 2QFY20. Moreover, the company raised INR10 billion of NCDs through public issuances in 1QFY20 (INR15 billion in 4QFY19) and around INR25 billion through the external commercial borrowing route in H1FY20. LTFL, in addition to its own fund mobilising ability, has access to L&T group's liquidity. In terms of consolidated structural ALM (excluding funding lines from banks and support lines from L&T), there is a positive cumulative mismatch in the all the maturity buckets up to one year.

Nevertheless, given that there is stress in the industry for segments in which LTFL and consolidated LTFHL operate, Ind-Ra expects the standalone balance sheet liquidity as well as the overall ALM position to improve on an on-going basis. This will remain a key monitorable.

Leverage remains Key Monitorable: LTFL had leverage of 5.2x at FYE19 and 5.0x at 2QFY20. The consolidated leverage of LTFHL reduced to 6.44x in 2QFY20 from 7.05x in 2QFY19. Ind-Ra expects the consolidated leverage of LTFHL to continue its pace of decline, especially given that a substantial portion of the portfolio is non-retail.

RATING SENSITIVITIES

Negative: Dilution of support expectations in Ind-Ra's opinion, either on account of LTFL's inability to manage asset quality (especially in view of the high loan growth strategy), resulting in higher-than-expected losses or diminished business prospects, materially weakened financial parameters, lack of improvement in standalone as well as overall liquidity position, inadequate improvement in leverage in the opinion of the agency or decreased importance of LTFL or financial services to the L&T group, or otherwise could lead to a rating downgrade. The lack of timely support in terms of equity capital for growth or a liquidity event would also lead to a negative rating action. Also, any material deterioration in the credit profile of the L&T group or a change of ownership outside of the group could also lead to a negative rating action.

COMPANY PROFILE

LTFL is a wholly owned subsidiary of LTFHL. It houses the rural business of LTFHL. It also has on-book real estate developer loans and wholesale finance. LTFL was earlier known as Family Credit Limited, LTFL was formed in FY17 after the merger of the erstwhile L&T Finance Ltd with Family Credit.

FINANCIAL SUMMARY

Particulars (Standalone)*	FY19	FY18
Total assets (INR billion)	558.4	441.7
Total equity (INR billion)	89.0	82.9
Net profit (INR billion)	8.5	1.2
Return on average assets (%)	1.7	0.3
Equity/assets (%)	15.9	18.8
Source: LTFL		
* Calculated as per IND-AS		

RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (billion)	Rating	10 September 2019	24 December 2018	24 January 2018
NCDs (public issue/private issue)/bank borrowings/subordinated debt	Long-term	INR110	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable	IND AAA/Stable
NCDs (public issue)	Long-term	INR50	IND AAA/Stable			

ANNEXURE

Issue Type	ISIN	Date of Issuance	Coupon rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook
NCD	INE027E07634	27 March 2018	8.25	8 April 2021	INR0.825	IND AAA/Stable

NCD	INE027E07642	28 March 2018	8.25	21 June 2021	INR0.95	IND AAA/Stable
NCD	INE027E07659	6 June 2018	8.65	28 April 2022	INR0.55	IND AAA/Stable
NCD	INE027E07675	6 July 2018	8.95	10 June 2022	INR0.35	IND AAA/Stable
NCD	INE027E07683	6 July 2018	8.92	6 October 2021	INR1.27	IND AAA/Stable
NCD	INE027E07691	20 July 2018	8.92	30 July 2021	INR0.25	IND AAA/Stable
NCD	INE027E07709	20 July 2018	8.95	16 August 2021	INR3.6	IND AAA/Stable
NCD	INE027E07642	27 July 2018	8.25	21 June 2021	INR0.8025	IND AAA/Stable
NCD	INE027E07717	2 August 2018	8.86	2 August 2023	INR0.35	IND AAA/Stable
NCD	INE027E07642	09 August 2018	8.25	21 June 2021	INR0.55	IND AAA/Stable
NCD	INE027E07691	20 August 2018	8.92	30 July 2021	INR0.108	IND AAA/Stable
NCD	INE027E07709	20 August 2018	8.95	16 August 2021	INR0.51	IND AAA/Stable
NCD	INE027E07725	20 August 2018	8.60	19 December 2019	INR0.25	IND AAA/Stable
NCD	INE027E07733	20 August 2018	8.75	19 August 2020	INR0.8	IND AAA/Stable
NCD	INE027E07733	27 August 2018	8.75	19 August 2020	INR3.4	IND AAA/Stable
NCD	INE027E07725	31 August 2018	8.60	19 December 2019	INR0.5	IND AAA/Stable
NCD	INE027E07741	31 August 2018	8.62	30 January 2020	INR0.25	IND AAA/Stable
NCD	INE027E07683	31 August 2018	8.92	6 October 2021	INR0.5	IND AAA/Stable
NCD	INE027E07758	12 September 2018	8.82	3 September 2021	INR0.59	IND AAA/Stable
NCD	INE027E07758	31 October 2018	8.82	3 September 2021	INR0.05	IND AAA/Stable
NCD	INE759E07897	31 October 2018	9.48	14 March 2022	INR0.758	IND AAA/Stable
NCD	INE027E07618	31 October 2018	7.95	12 December 2022	INR0.165	IND AAA/Stable
NCD	INE027E07659	14 November 2018	8.65	28 April 2022	INR0.3	IND AAA/Stable
NCD	INE027E07741	20 November 2018	8.62	30 January 2020	INR0.519	IND AAA/Stable
NCD	INE027E07550	20 November 2018	7.70	6 October 2022	INR0.65	IND AAA/Stable
NCD	INE027E07774	4 January 2019	9.00%	4 January 2024	INR8	IND AAA/Stable
NCD	INE027E07782	11 January 2019	8.81	11 March 2020	INR3	IND AAA/Stable
NCD	INE027E07790	11 January 2019	9.00	9 February 2024	INR0.25	IND AAA/Stable
NCD	INE027E07840	24 January 2019	8.81	13 March 2020	INR2	IND AAA/Stable
NCD	INE027E07857	24 January 2019	8.93	8 August 2022	INR0.5	IND AAA/Stable
NCD	INE027E07865	1 February 2019	9.02	11 March 2024	INR0.25	IND AAA/Stable
NCD	INE027E07873	1-Mar-2019	8.75	22-May-2020	INR2.75	IND AAA/Stable
NCD	INE027E07AP2	28-May-2019	8.8	28-May-2026	INR8.5	IND AAA/Stable
Utilised					INR44.09	
Unutilised					INR13.91	
NCD (Public Issue)	INE027E07915	13 March 2019	9.10	13 April 2022	INR0.80	IND AAA/Stable
NCD (Public Issue)	INE027E07923	13 March 2019	9.10	13 March 2024	INR0.30	IND AAA/Stable
NCD (Public Issue)	INE027E07980	13 March 2019	8.84	13 March 2029	INR0.01	IND AAA/Stable
NCD (Public Issue)	INE027E07931	13 March 2019	9.25	13 March 2024	INR2.36	IND AAA/Stable
NCD (Public Issue)	INE027E07972	13 March 2019	9.35	13 March 2029	INR1.11	IND AAA/Stable
NCD (Public Issue)	INE027E07881	13 March 2019	9.00	13 April 2022	INR1.77	IND AAA/Stable
NCD (Public Issue)	INE027E07949	13 March 2019	8.75	13 March 2024	INR0.02	IND AAA/Stable
NCD (Public Issue)	INE027E07964	13 March 2019	9.20	13 March 2029	INR0.08	IND AAA/Stable
NCD (Public Issue)	INE027E07998	13 March 2019	8.98	13 March 2029	INR1.02	IND AAA/Stable
NCD (Public Issue)	INE027E07899	13 March 2019	9.10	13 April 2022	INR6.88	IND AAA/Stable
NCD (Public Issue)	INE027E07907	13 March 2019	9.00	13 April 2022	INR0.05	IND AAA/Stable
NCD (Public Issue)	INE027E07956	13 March 2019	8.89	13 March 2024	INR0.60	IND AAA/Stable
NCD (Public Issue)	INE027E07AA4	15-Apr-19	8.7	15-Apr-22	INR1.11	IND AAA/Stable
NCD (Public Issue)	INE027E07AB2	15-Apr-19	8.9	15-Apr-22	INR1.89	IND AAA/Stable
NCD (Public Issue)	INE027E07AC0	15-Apr-19	8.71	15-Apr-22	INR0.04	IND AAA/Stable
NCD (Public Issue)	INE027E07AD8	15-Apr-19	8.91	15-Apr-22	INR0.17	IND AAA/Stable
NCD (Public Issue)	INE027E07AE6	15-Apr-19	8.8	15-Apr-24	INR0.73	IND AAA/Stable
NCD (Public Issue)	INE027E07AF3	15-Apr-19	9	15-Apr-24	INR1.86	IND AAA/Stable
NCD (Public Issue)	INE027E07AG1	15-Apr-19	8.48	15-Apr-24	INR0.02	IND AAA/Stable
NCD (Public Issue)	INE027E07AH9	15-Apr-19	8.66	15-Apr-24	INR0.22	IND AAA/Stable
NCD (Public Issue)	INE027E07AI7	15-Apr-19	8.81	15-Apr-24	INR0.01	IND AAA/Stable
NCD (Public Issue)	INE027E07AJ5	15-Apr-19	9.01	15-Apr-24	INR0.19	IND AAA/Stable
NCD (Public Issue)	INE027E07AK3	15-Apr-19	8.85	15-Apr-27	INR0.11	IND AAA/Stable

NCD (Public Issue)	INE027E07AL1	15-Apr-19	9.05	15-Apr-27	INR3.52	IND AAA/Stable
NCD (Public Issue)	INE027E07AM9	15-Apr-19	8.52	15-Apr-27	INR0.01	IND AAA/Stable
NCD (Public Issue)	INE027E07AN7	15-Apr-19	8.7	15-Apr-27	INR0.18	IND AAA/Stable
Utilised					INR25.00	
Unutilised*					INR75.00	
Subordinated Debt	INE027E08087	13 September 2019	8.90	13 September 2029	INR0.26	IND AAA/Stable
Utilised					INR0.26	
Unutilised					INR1.74	
Total Utilised					INR69.35	
Total Unutilised					INR90.65	
Total					INR160.00	

*the rated limit is for secured redeemable NCDs and interchangeable with unsecured subordinated redeemable NCDs

COMPLEXITY LEVEL OF INSTRUMENTS

For details on the complexity levels of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

SOLICITATION DISCLOSURES

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

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About India Ratings and Research: India Ratings and Research (Ind-Ra) is India's most respected credit rating agency committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

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Applicable Criteria

[Financial Institutions Rating Criteria](#)

[Non-Bank Finance Companies Criteria](#)

[Rating FI Subsidiaries and Holding Companies](#)

Analyst Names

[Primary Analyst](#)

Apurva Naik

Analyst

India Ratings and Research Pvt Ltd Wockhardt Towers, 4th floor, West Wing Plot C-2, G Block. Bandra Kurla Complex Bandra (East), Mumbai 400051

+91 22 40001779

Secondary Analyst

Jindal Haria

Director

+91 22 40001750

Committee Chairperson

Prakash Agarwal

Director and Head Financial Institutions

+91 22 40001753

Media Relation

Namita Sharma

Manager – Corporate Communication

+91 22 40356121

ANNEXURE D

ILLUSTRATIVE CASH FLOW

ILLUSTRATION FOR GUIDANCE IN RESPECT OF THE DAY COUNT CONVENTION AND EFFECT OF HOLIDAYS ON PAYMENTS

Series I

36 Months - Annual Coupon Payment	
Company	L&T Finance Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	January 3, 2020
Tenor	36 months
Option 1: Coupon Rate for Category I Investors and Category II Investors (p.a.)	8.25%
Option 2: Coupon Rate for Category III Investors and Category IV Investors (p.a.)	8.45%
Redemption Date/Maturity Date (assumed)	January 3, 2023
Frequency of interest payment	Annual
Option 1: Effective Yield for Category I Investors and Category II Investors	8.24%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.44%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Deemed date of allotment	Friday, 3 January, 2020	Friday, 3 January, 2020		-1000	-1000
Coupon/Interest Payment 1	Sunday, 3 January, 2021	Monday, 4 January, 2021	366	82.50	84.50
Coupon/Interest Payment 2	Monday, 3 January, 2022	Monday, 3 January, 2022	365	82.50	84.50
Coupon/Interest Payment 3	Tuesday, 3 January, 2023	Tuesday, 3 January, 2023	365	82.50	84.50
Principal	Tuesday, 3 January, 2023	Tuesday, 3 January, 2023		1000	1000

36 Months - Cumulative Payment	
Company	L&T Finance Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	January 3, 2020
Tenor	36 months
Option 1: Coupon Rate for Category I Investors and Category II Investors (p.a)	NA
Option 2: Coupon Rate for Category III Investors and Category IV Investors (p.a)	NA
Redemption Date/Maturity Date (assumed)	January 3, 2023
Frequency of interest payment	NA
Option 1: Effective Yield for Category I Investors and Category II Investors	8.25%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.45%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Deemed date of allotment	Friday, 3 January, 2020	Friday, 3 January, 2020		-1000	-1000
Coupon/Interest Payment	Tuesday, 3 January, 2023	Tuesday, 3 January, 2023	1096	268.76	275.81
Principal	Tuesday, 3 January, 2023	Tuesday, 3 January, 2023		1000	1000

36 Months - Monthly Coupon Payment

Company	L&T Finance Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	January 3, 2020
Tenor	36 months
Option 1: Coupon Rate for Category I Investors and Category II Investors (p.a)	7.96%
Option 2: Coupon Rate for Category III Investors and Category IV Investors (p.a)	8.15%
Redemption Date/Maturity Date (assumed)	January 3, 2023
Frequency of interest payment	Monthly
Option 1: Effective Yield for Category I Investors and Category II Investors	8.25%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.45%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Deemed date of allotment	Friday, 3 January, 2020	Friday, 3 January, 2020		-1000	-1000
Coupon/Interest Payment 1	Monday, 3 February, 2020	Monday, 3 February, 2020	31	6.74	6.9
Coupon/Interest Payment 2	Tuesday, 3 March, 2020	Tuesday, 3 March, 2020	29	6.31	6.46
Coupon/Interest Payment 3	Friday, 3 April, 2020	Friday, 3 April, 2020	31	6.74	6.9
Coupon/Interest Payment 4	Sunday, 3 May, 2020	Monday, 4 May, 2020	30	6.52	6.68
Coupon/Interest Payment 5	Wednesday, 3 June, 2020	Wednesday, 3 June, 2020	31	6.74	6.9
Coupon/Interest Payment 6	Friday, 3 July, 2020	Friday, 3 July, 2020	30	6.52	6.68
Coupon/Interest Payment 7	Monday, 3 August, 2020	Monday, 3 August, 2020	31	6.74	6.9
Coupon/Interest Payment 8	Thursday, 3 September, 2020	Thursday, 3 September, 2020	31	6.74	6.9

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Coupon/Interest Payment 9	Saturday, 3 October, 2020	Monday, 5 October, 2020	30	6.52	6.68
Coupon/Interest Payment 10	Tuesday, 3 November, 2020	Tuesday, 3 November, 2020	31	6.74	6.9
Coupon/Interest Payment 11	Thursday, 3 December, 2020	Thursday, 3 December, 2020	30	6.52	6.68
Coupon/Interest Payment 12	Sunday, 3 January, 2021	Monday, 4 January, 2021	31	6.74	6.9
Coupon/Interest Payment 13	Wednesday, 3 February, 2021	Wednesday, 3 February, 2021	31	6.76	6.92
Coupon/Interest Payment 14	Wednesday, 3 March, 2021	Wednesday, 3 March, 2021	28	6.11	6.25
Coupon/Interest Payment 15	Saturday, 3 April, 2021	Monday, 5 April, 2021	31	6.76	6.92
Coupon/Interest Payment 16	Monday, 3 May, 2021	Monday, 3 May, 2021	30	6.54	6.7
Coupon/Interest Payment 17	Thursday, 3 June, 2021	Thursday, 3 June, 2021	31	6.76	6.92
Coupon/Interest Payment 18	Saturday, 3 July, 2021	Monday, 5 July, 2021	30	6.54	6.7
Coupon/Interest Payment 19	Tuesday, 3 August, 2021	Tuesday, 3 August, 2021	31	6.76	6.92
Coupon/Interest Payment 20	Friday, 3 September, 2021	Friday, 3 September, 2021	31	6.76	6.92
Coupon/Interest Payment 21	Sunday, 3 October, 2021	Monday, 4 October, 2021	30	6.54	6.7
Coupon/Interest Payment 22	Wednesday, 3 November, 2021	Wednesday, 3 November, 2021	31	6.76	6.92
Coupon/Interest Payment 23	Friday, 3 December, 2021	Friday, 3 December, 2021	30	6.54	6.7
Coupon/Interest Payment 24	Monday, 3 January, 2022	Monday, 3 January, 2022	31	6.76	6.92
Coupon/Interest Payment 25	Thursday, 3 February, 2022	Thursday, 3 February, 2022	31	6.76	6.92

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Coupon/Interest Payment 26	Thursday, 3 March, 2022	Thursday, 3 March, 2022	28	6.11	6.25
Coupon/Interest Payment 27	Sunday, 3 April, 2022	Monday, 4 April, 2022	31	6.76	6.92
Coupon/Interest Payment 28	Tuesday, 3 May, 2022	Tuesday, 3 May, 2022	30	6.54	6.7
Coupon/Interest Payment 29	Friday, 3 June, 2022	Friday, 3 June, 2022	31	6.76	6.92
Coupon/Interest Payment 30	Sunday, 3 July, 2022	Monday, 4 July, 2022	30	6.54	6.7
Coupon/Interest Payment 31	Wednesday, 3 August, 2022	Wednesday, 3 August, 2022	31	6.76	6.92
Coupon/Interest Payment 32	Saturday, 3 September, 2022	Monday, 5 September, 2022	31	6.76	6.92
Coupon/Interest Payment 33	Monday, 3 October, 2022	Monday, 3 October, 2022	30	6.54	6.7
Coupon/Interest Payment 34	Thursday, 3 November, 2022	Thursday, 3 November, 2022	31	6.76	6.92
Coupon/Interest Payment 35	Saturday, 3 December, 2022	Monday, 5 December, 2022	30	6.54	6.7
Coupon/Interest Payment 36	Tuesday, 3 January, 2023	Tuesday, 3 January, 2023	31	6.76	6.92
Principal	Tuesday, 3 January, 2023	Tuesday, 3 January, 2023		1000	1000

60 Months - Annual Coupon Payment	
Company	L&T Finance Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	January 3, 2020
Tenor	60 months
Option 1: Coupon Rate for Category I Investors and Category II Investors (p.a)	8.45%
Option 2 : Coupon Rate for Category III Investors and Category IV Investors (p.a)	8.60%
Redemption Date/Maturity Date (assumed)	January 3, 2025
Frequency of interest payment	Annual
Option 1: Effective Yield for Category I Investors and Category II Investors	8.44%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.59%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Deemed date of allotment	Friday, 3 January, 2020	Friday, 3 January, 2020		-1000	-1000
Coupon/Interest Payment 1	Sunday, 3 January, 2021	Monday, 4 January, 2021	366	84.50	86.00
Coupon/Interest Payment 2	Monday, 3 January, 2022	Monday, 3 January, 2022	365	84.50	86.00
Coupon/Interest Payment 3	Tuesday, 3 January, 2023	Tuesday, 3 January, 2023	365	84.50	86.00
Coupon/Interest Payment 4	Wednesday, 3 January, 2024	Wednesday, 3 January, 2024	365	84.50	86.00
Coupon/Interest Payment 5	Friday, 3 January, 2025	Friday, 3 January, 2025	366	84.50	86.00
Principal	Friday, 3 January, 2025	Friday, 3 January, 2025		1000	1000

60 Months - Monthly Coupon Payment	
Company	L&T Finance Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	January 3, 2020
Tenor	60 months
Option 1 : Coupon Rate for Category I Investors and Category II Investors (p.a)	8.15%
Option 2: Coupon Rate for Category III Investors and Category IV Investors (p.a)	8.29%
Redemption Date/Maturity Date (assumed)	January 3, 2025
Frequency of interest payment	Monthly
Option 1: Effective Yield for Category I Investors and Category II Investors	8.45%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.60%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Deemed date of allotment	Friday, 3 January, 2020	Friday, 3 January, 2020		-1000	-1000
Coupon/Interest Payment 1	Monday, 3 February, 2020	Monday, 3 February, 2020	31	6.90	7.02
Coupon/Interest Payment 2	Tuesday, 3 March, 2020	Tuesday, 3 March, 2020	29	6.46	6.57
Coupon/Interest Payment 3	Friday, 3 April, 2020	Friday, 3 April, 2020	31	6.90	7.02
Coupon/Interest Payment 4	Sunday, 3 May, 2020	Monday, 4 May, 2020	30	6.68	6.8
Coupon/Interest Payment 5	Wednesday, 3 June, 2020	Wednesday, 3 June, 2020	31	6.90	7.02
Coupon/Interest Payment 6	Friday, 3 July, 2020	Friday, 3 July, 2020	30	6.68	6.8
Coupon/Interest Payment 7	Monday, 3 August, 2020	Monday, 3 August, 2020	31	6.90	7.02
Coupon/Interest Payment 8	Thursday, 3 September, 2020	Thursday, 3 September, 2020	31	6.90	7.02
Coupon/Interest Payment 9	Saturday, 3 October, 2020	Monday, 5 October, 2020	30	6.68	6.8
Coupon/Interest Payment 10	Tuesday, 3 November, 2020	Tuesday, 3 November, 2020	31	6.90	7.02
Coupon/Interest Payment 11	Thursday, 3 December, 2020	Thursday, 3 December, 2020	30	6.68	6.8
Coupon/Interest Payment 12	Sunday, 3 January, 2021	Monday, 4 January, 2021	31	6.90	7.02
Coupon/Interest Payment 13	Wednesday, 3 February, 2021	Wednesday, 3 February, 2021	31	6.92	7.04

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Coupon/Interest Payment 14	Wednesday, 3 March, 2021	Wednesday, 3 March, 2021	28	6.25	6.36
Coupon/Interest Payment 15	Saturday, 3 April, 2021	Monday, 5 April, 2021	31	6.92	7.04
Coupon/Interest Payment 16	Monday, 3 May, 2021	Monday, 3 May, 2021	30	6.70	6.81
Coupon/Interest Payment 17	Thursday, 3 June, 2021	Thursday, 3 June, 2021	31	6.92	7.04
Coupon/Interest Payment 18	Saturday, 3 July, 2021	Monday, 5 July, 2021	30	6.70	6.81
Coupon/Interest Payment 19	Tuesday, 3 August, 2021	Tuesday, 3 August, 2021	31	6.92	7.04
Coupon/Interest Payment 20	Friday, 3 September, 2021	Friday, 3 September, 2021	31	6.92	7.04
Coupon/Interest Payment 21	Sunday, 3 October, 2021	Monday, 4 October, 2021	30	6.70	6.81
Coupon/Interest Payment 22	Wednesday, 3 November, 2021	Wednesday, 3 November, 2021	31	6.92	7.04
Coupon/Interest Payment 23	Friday, 3 December, 2021	Friday, 3 December, 2021	30	6.70	6.81
Coupon/Interest Payment 24	Monday, 3 January, 2022	Monday, 3 January, 2022	31	6.92	7.04
Coupon/Interest Payment 25	Thursday, 3 February, 2022	Thursday, 3 February, 2022	31	6.92	7.04
Coupon/Interest Payment 26	Thursday, 3 March, 2022	Thursday, 3 March, 2022	28	6.25	6.36
Coupon/Interest Payment 27	Sunday, 3 April, 2022	Monday, 4 April, 2022	31	6.92	7.04
Coupon/Interest Payment 28	Tuesday, 3 May, 2022	Tuesday, 3 May, 2022	30	6.70	6.81
Coupon/Interest Payment 29	Friday, 3 June, 2022	Friday, 3 June, 2022	31	6.92	7.04
Coupon/Interest Payment 30	Sunday, 3 July, 2022	Monday, 4 July, 2022	30	6.70	6.81
Coupon/Interest Payment 31	Wednesday, 3 August, 2022	Wednesday, 3 August, 2022	31	6.92	7.04
Coupon/Interest Payment 32	Saturday, 3 September, 2022	Monday, 5 September, 2022	31	6.92	7.04
Coupon/Interest Payment 33	Monday, 3 October, 2022	Monday, 3 October, 2022	30	6.70	6.81
Coupon/Interest Payment 34	Thursday, 3 November, 2022	Thursday, 3 November, 2022	31	6.92	7.04
Coupon/Interest Payment 35	Saturday, 3 December, 2022	Monday, 5 December, 2022	30	6.70	6.81
Coupon/Interest Payment 36	Tuesday, 3 January, 2023	Tuesday, 3 January, 2023	31	6.92	7.04
Coupon/Interest Payment 37	Friday, 3 February, 2023	Friday, 3 February, 2023	31	6.92	7.04
Coupon/Interest Payment 38	Friday, 3 March, 2023	Friday, 3 March, 2023	28	6.25	6.36
Coupon/Interest Payment 39	Monday, 3 April, 2023	Monday, 3 April, 2023	31	6.92	7.04

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Coupon/Interest Payment 40	Wednesday, 3 May, 2023	Wednesday, 3 May, 2023	30	6.70	6.81
Coupon/Interest Payment 41	Saturday, 3 June, 2023	Monday, 5 June, 2023	31	6.92	7.04
Coupon/Interest Payment 42	Monday, 3 July, 2023	Monday, 3 July, 2023	30	6.70	6.81
Coupon/Interest Payment 43	Thursday, 3 August, 2023	Thursday, 3 August, 2023	31	6.92	7.04
Coupon/Interest Payment 44	Sunday, 3 September, 2023	Monday, 4 September, 2023	31	6.92	7.04
Coupon/Interest Payment 45	Tuesday, 3 October, 2023	Tuesday, 3 October, 2023	30	6.70	6.81
Coupon/Interest Payment 46	Friday, 3 November, 2023	Friday, 3 November, 2023	31	6.92	7.04
Coupon/Interest Payment 47	Sunday, 3 December, 2023	Monday, 4 December, 2023	30	6.70	6.81
Coupon/Interest Payment 48	Wednesday, 3 January, 2024	Wednesday, 3 January, 2024	31	6.92	7.04
Coupon/Interest Payment 49	Saturday, 3 February, 2024	Monday, 5 February, 2024	31	6.90	7.02
Coupon/Interest Payment 50	Sunday, 3 March, 2024	Monday, 4 March, 2024	29	6.46	6.57
Coupon/Interest Payment 51	Wednesday, 3 April, 2024	Wednesday, 3 April, 2024	31	6.90	7.02
Coupon/Interest Payment 52	Friday, 3 May, 2024	Friday, 3 May, 2024	30	6.68	6.8
Coupon/Interest Payment 53	Monday, 3 June, 2024	Monday, 3 June, 2024	31	6.90	7.02
Coupon/Interest Payment 54	Wednesday, 3 July, 2024	Wednesday, 3 July, 2024	30	6.68	6.8
Coupon/Interest Payment 55	Saturday, 3 August, 2024	Monday, 5 August, 2024	31	6.90	7.02
Coupon/Interest Payment 56	Tuesday, 3 September, 2024	Tuesday, 3 September, 2024	31	6.90	7.02
Coupon/Interest Payment 57	Thursday, 3 October, 2024	Thursday, 3 October, 2024	30	6.68	6.8
Coupon/Interest Payment 58	Sunday, 3 November, 2024	Monday, 4 November, 2024	31	6.90	7.02
Coupon/Interest Payment 59	Tuesday, 3 December, 2024	Tuesday, 3 December, 2024	30	6.68	6.8
Coupon/Interest Payment 60	Friday, 3 January, 2025	Friday, 3 January, 2025	31	6.90	7.02
Principal	Friday, 3 January, 2025	Friday, 3 January, 2025		1000	1000

84 Months - Annual Coupon Payment	
Company	L&T Finance Limited
Face Value per NCD (in Rs.)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	January 3, 2020
Tenor	84 months
Option 1 : Coupon Rate for Category I Investors and Category II Investors (p.a)	8.50%
Option 2 : Coupon Rate for Category III Investors and Category IV Investors (p.a)	8.65%
Redemption Date/Maturity Date (assumed)	January 3, 2027
Frequency of interest payment	Annual
Option 1: Effective Yield for Category I Investors and Category II Investors	8.49%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.64%
Day Count Convention	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (₹)	Option 2: For Category III Investors and Category IV Investors (₹)
Deemed date of allotment	Friday, 3 January, 2020	Friday, 3 January, 2020		-1000	-1000
Coupon/Interest Payment 1	Sunday, 3 January, 2021	Monday, 4 January, 2021	366	85.00	86.50
Coupon/Interest Payment 2	Monday, 3 January, 2022	Monday, 3 January, 2022	365	85.00	86.50
Coupon/Interest Payment 3	Tuesday, 3 January, 2023	Tuesday, 3 January, 2023	365	85.00	86.50
Coupon/Interest Payment 4	Wednesday, 3 January, 2024	Wednesday, 3 January, 2024	365	85.00	86.50
Coupon/Interest Payment 5	Friday, 3 January, 2025	Friday, 3 January, 2025	366	85.00	86.50
Coupon/Interest Payment 6	Saturday, 3 January, 2026	Monday, 5 January, 2026	365	85.00	86.50
Coupon/Interest Payment 7	Sunday, 3 January, 2027	Monday, 4 January, 2027	365	85.00	86.50
Coupon/Interest Payment 8	Monday, 3 January, 2028	Monday, 3 January, 2028	365	85.00	86.50
Principal	Monday, 3 January, 2028	Monday, 3 January, 2028		1000	1000

Assumptions:

1. The Deemed Date of Allotment is assumed to be January 3, 2020. If the Deemed Date of Allotment undergoes a change, the coupon payments dates, redemption dates, redemption amount and other cash flow working shall be changed accordingly.

2. Interest payable during the Financial Years 2020 and 2024 being leap years, have been calculated for 366 days.
3. In the event, the interest / pay-out of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is Rs. 2,515.07 /-, then the amount shall be rounded off to Rs. 2,515.00/-. However, this rounding off to nearest integer at the time of payment of interest and/or redemption amount will be done per debenture holder.

Note:

The Coupon/ Interest Payments are rounded-off to nearest rupee as per FIMMDA 'Handbook on market practices'.

ANNEXURE E

DEBENTURE TRUSTEE CONSENT LETTER

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IDBI Trusteeship Services Ltd

CIN : U65991MH2001GOI131154



November 21, 2019
Ref.No. CL/19-20/DEB/962

To,
The Company Secretary
L&T Finance Limited
Technopolis, 7th Floor, A- Wing, Plot No. - 4,
Block - BP, Sector -V, Salt Lake
Kolkata - 700091

Dear Sir/Madam,

Sub: Proposed public issue of secured redeemable non-convertible debenture and / or unsecured subordinated redeemable non-convertible debenture eligible for TIER II Capital ("NCDs") aggregating up to ₹ 5,000 crores ("Issue") of L&T Finance Limited ("Company")

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue pursuant to Regulation 4(4) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended and to our name being inserted as the Debenture Trustee to the Issue in the Draft Shelf Prospectus to be filed with BSE Limited and National Stock Exchange of India Limited ("**Stock Exchanges**") and to be forwarded to Securities and Exchange Board of India ("**SEBI**") and the Shelf Prospectus / respective Tranche Prospectus(es) to be filed with the Registrar of Companies, Kolkata ("**RoC**"), Stock Exchanges and to be forwarded to SEBI in respect of the Issue and also in all related advertisements and in all the subsequent periodical communications to be sent to the holders of NCDs issued pursuant to the Issue. The following details with respect to us may be disclosed:

Name:	IDBI Trusteeship Services Limited
Address:	IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001
Tel:	(91) (22) 40807000
Fax:	66311776/40807080
Email:	itsl@idbitrustee.com
Website:	www.idbitrustee.com
Contact Person:	Mr. Dinesh Ladwa
Investor Grievance e-mail:	response@idbitrustee.com
SEBI Registration No:	IND000000460

We confirm that we are registered with SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**.

We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues.

We hereby authorise you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

We also agree to keep strictly confidential, until such time as the proposed transaction is publicly announced by the Company; (i) the nature and scope of this transaction; (ii) our knowledge of the proposed transaction of the Company; and (iii) any other information in connection thereto.

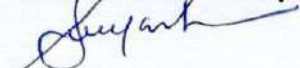


We confirm that we will without unreasonable delay inform you and the Lead Managers of any change to the above information until the date when the NCDs are listed on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until the NCDs are listed on the Stock Exchanges.

This letter may be relied upon by the Company, the Lead Managers and the legal advisors to the Issue in respect of the Issue.

Yours faithfully,

For IDBI Trusteeship Services Limited



Authorised Signatory

Name: Yasmin Sayyed

Designation: Senior Manager

CC:

EDELWEISS FINANCIAL SERVICES LIMITED

Edelweiss House

Off CST Road, Kalina, Mumbai 400 098

Maharashtra, India

SEBI Registration No: INM0000010650

A. K. CAPITAL SERVICES LIMITED

30-39 Free Press House, 3rd Floor,

Free Press Journal Marg, 215, Nariman Point, Mumbai 400021

SEBI Registration No: INM000010411

TRUST INVESTMENT ADVISORS PRIVATE LIMITED

109/110, Balarama, Bandra Kurla Complex, Bandra (E), Mumbai 400 051

SEBI Registration No: INM000011120

And

JM FINANCIAL LIMITED

7th Floor, Cnergy, Appasaheb Marathe Marg,

Prabhadevi, Mumbai 400 025,

Maharashtra, India.

SEBI Registration No: INM000010361

Khaitan & Co

One Indiabulls Centre

13th Floor, Tower 1,

Senapati Bapat Marg,

Mumbai 400 013

Maharashtra, India

डिबेंचर न्यासी

प्रारूप ख
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000263

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

- 1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ एडिन एम अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करने हुए।
1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

IDBI TRUSTEESHIP SERVICES LIMITED
ASIAN BUILDING, GROUND FLOOR
17, R. KAMANI MARG
BALLARD ESTATE
MUMBAI-400 001

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान किया है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

- 2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कोड
2) Registration Code for the debenture trustee is

IND000000460

- 3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र
3) Unless renewed, the certificate of registration is valid from

से तक विधिवान्य है।
This certificate of registration shall be valid unless it is suspended or cancelled by the board

स्थान Place : **MUMBAI**

तारीख Date : **FEBRUARY 14, 2017**



आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

M. S. Sanparote
MEDHASONPAROTE

प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

Annexure B

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee are true and correct:

S. No.	Particulars	Details
1.	Registration Number	IND0000000460
2.	Date of registration/ date of last renewal of registration/ date of application for renewal of registration	February 14, 2017
3.	Date of expiry of registration	The Certificate of registration shall be valid unless it is suspended or cancelled by the Board
4.	Details of any communication from SEBI prohibiting from acting as an intermediary	NIL
5.	Details of any pending inquiry/ investigation being conducted by SEBI	NIL
6.	Details of any penalty imposed by SEBI	NIL

Yours faithfully,

For IDBI Trusteeship Services Limited

Authorised Signatory

Name: Yasmin Sayyed

Designation: Senior Manager

