



MUTHOOT FINANCE LIMITED

Our Company was originally incorporated at Kochi, Kerala as a private limited company on March 14, 1997 under the provisions of the Companies Act, 1956, with the name "The Muthoot Finance Private Limited". Subsequently, by a fresh certificate of incorporation dated May 16, 2007, our name was changed to "Muthoot Finance Private Limited". Our Company was converted into a public limited company on November 18, 2008 with the name "Muthoot Finance Limited" and received a fresh certificate of incorporation consequent to change in status on December 02, 2008 from the Registrar of Companies, Kerala and Lakshadweep. For further details regarding changes to the name and registered office of our Company, see section titled "History and Main Objects" on page 120 of the Shelf Prospectus. The corporate identity number of our Company is L65910KL1997PLC011300.

Registered and Corporate Office: 2nd Floor, Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Kochi 682 018, India.
Tel: (+91 484) 239 4712; **Fax:** (+91 484) 239 6506; **Website:** www.muthootfinance.com; **Email:** ncd@muthootgroup.com.

Company Secretary and Compliance Officer: Rajesh A.; **Tel:** (+91 484) 6690255; **Fax:** (+91 484) 239 6506; **E-mail:** cs@muthootgroup.com

PUBLIC ISSUE BY MUTHOOT FINANCE LIMITED ("COMPANY" OR THE "ISSUER") OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH ("NCDs") FOR AN AMOUNT OF ₹ 1,000 MILLION ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 19,000 MILLION AGGREGATING UP TO 20,000,000 NCDs AMOUNTING TO ₹20,000 MILLION ("TRANCHE I ISSUE LIMIT") ("TRANCHE I ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹ 40,000 MILLION AND IS BEING OFFERED BY WAY OF THIS TRANCHE I PROSPECTUS DATED OCTOBER 22, 2020 CONTAINING, INTER ALIA, THE TERMS AND CONDITIONS OF THIS TRANCHE I ISSUE ("TRANCHE I PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED OCTOBER 22, 2020 ("SHELF PROSPECTUS") FILED WITH THE REGISTRAR OF COMPANIES, KERALA AND LAKSHADWEEP ("ROC"), BSE LIMITED AND SECURITIES AND EXCHANGE BOARD OF INDIA. THE SHELF PROSPECTUS AND THIS TRANCHE I PROSPECTUS CONSTITUTE THE PROSPECTUS ("PROSPECTUS").

PROMOTERS: M G GEORGE MUTHOOT, GEORGE ALEXANDER MUTHOOT, GEORGE THOMAS MUTHOOT, GEORGE JACOB MUTHOOT

GENERAL RISK

Investors are advised to read the Risk Factors carefully before taking an investment decision in the Issue. For taking an investment decision, the investors must rely on their own examination of the Issuer and the Issue including the risks involved. Specific attention of the investors is invited to the section titled "Risk Factors" on pages 11 to 38 of the Shelf Prospectus, and section titled "Material Developments" on page 42 of this Tranche I Prospectus before making an investment in the Tranche Issue. This document has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), the Registrar of Companies at Kerala and Lakshadweep ("RoC") 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 the Shelf Prospectus for this Tranche I Issue contains all information with regard to the Issuer and this Tranche I Issue, which is material in the context of this Tranche I Issue. The information contained in this Tranche I Prospectus read together with the Shelf Prospectus for this Tranche I Issue is true and correct in all material respects and is not misleading in any material respect and 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 opinions or intentions misleading in any material respect.

CREDIT RATING

The NCDs proposed to be issued under this Issue have been rated [ICRA] AA (Stable) by ICRA for an amount of upto ₹ 40,000 million vide its letter dated September 26, 2020 and further revalidated by rating letter dated October 09, 2020, and have been rated CRISIL AA/Positive by CRISIL for an amount upto ₹ 40,000 million vide its letter dated September 22, 2020 and further revalidated by rating letter dated October 08, 2020. The rating of the NCDs by ICRA and CRISIL indicates high degree of safety regarding timely servicing of financial obligations. The rating provided by ICRA and CRISIL may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please refer to pages 118 to 147 of this Tranche I Prospectus for rating letter and rationale for the above rating.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated September 30, 2020 was filed with the Stock Exchange, pursuant to the provisions of the SEBI Debt Regulations and was open for public comments for a period of seven Working Days (i.e., until 5 p.m., October 09, 2020) from the date of filing of the Draft Shelf Prospectus with the Stock Exchange. No comments were received on the Draft Shelf Prospectus until 5 p.m. on October 09, 2020.

LISTING

The NCDs offered through this Tranche I Prospectus are proposed to be listed on BSE. For the purposes of this Tranche I Issue, BSE shall be the Designated Stock Exchange. Our Company has received an 'in-principle' approval from BSE vide their letter no. DCS/BM/PI-BOND/006/20-21 dated October 16, 2020.

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

For details relating to Coupon Rate, Coupon Payment Frequency, Maturity Date and Maturity Amount of the NCDs, see section titled "Issue Related Information" starting on page 43 of this Tranche I Prospectus. For details relating to eligible investors please see "The Issue" on page 20 of this Tranche I Prospectus.

LEAD MANAGERS TO THE ISSUE

REGISTRAR TO THE ISSUE

DEBENTURE TRUSTEE**



Edelweiss Financial Services Limited
Edelweiss House
Off CST Road, Kalina
Mumbai 400 098
Tel: (+91 22) 4086 3535
Fax: (+91 22) 4086 3610
Email:
muthoot.ncd@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.:
INM000010650

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg,
Marathadevi, Mumbai - 400 025
Tel: (+91 22) 6630 3030
Fax: (+91 22) 6630 3330
Email: MFLbondissue2020@jmf.com
Investor Grievance Email:
grievance.ibd@jmf.com
Website: www.jmf.com
Contact Person: Ms. Prachee Dhuri
Compliance Officer: Mr. Sunny Shah
SEBI Registration No.:
INM000010361

Equirus Capital Private Limited
12th Floor, C Wing,
Marathon Futrex, N.M.
Joshi Marg, Lower Parel,
Mumbai 400 013
Tel: (+91 22) 4332 0600
Fax: (+91 22) 4332-0601
Email: muthoot.ncd@equirus.com
Investor Grievance Email:
investorgrievance@equirus.com
Website: www.equirus.com
Contact person:
Ms. Nandini Garg
Compliance Officer:
Mr. Jyot Bhat
SEBI Registration Number:
INM000011286

A. K. Capital Services Limited
30-38, Free Press House
3rd floor, Free Press Journal Marg
215, Nariman Point
Mumbai - 400 021, India
Tel: (+91 22) 6754 6500
Fax: (+91 22) 6610 0594
Email: mflncd2020@akgroup.co.in
Investor Grievance Email:
investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Ms. Aanchal Wagle/ Mr. Mrunal Jadhav
Compliance Officer: Mr. Tejas Davda
SEBI Registration No.:
INM000010411

LINK INTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L B S Marg,
Vikhroli West,
Mumbai 400 089, India
Tel: (+91 22) 4918 6200
Fax: (+91 22) 4918 6195
Email: mfl.ncd2020@linkintime.co.in
Investor Grievance Email:
mfl.ncd2020@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalakrishnan
SEBI Registration No.:
INR000004058

IDBI TRUSTEESHIP SERVICES LIMITED
Asian Building, Ground Floor
17 R. Kamani Marg, Ballard Estate
Mumbai 400 001, India
Tel: (+91 22) 4080 7000
Fax: (+91 22) 6631 1776
Email: anjalee@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Anjalee Athalye
SEBI Registration No.:
IND000000460

TRANCHE I ISSUE PROGRAMME *

TRANCHE I ISSUE OPENS ON OCTOBER 27, 2020

TRANCHE I ISSUE CLOSES ON NOVEMBER 20, 2020

*The subscription list shall remain open for subscription on Working Days from 10 A.M. to 5 P.M., during the period indicated above, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company ("Board") or NCD Committee. In the event of such an early closure or extension of 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 national daily newspaper with wide circulation on or before such earlier date or extended date of closure. Application 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 BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 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.

** IDBI Trusteeship Services Limited under regulation 4(4) of the SEBI Debt Regulations has by its letter dated September 30, 2020 given its consent for its appointment as Debenture Trustee to the Tranche I Issue 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 Debentures issued pursuant to this Issue.

A copy of the Shelf Prospectus dated October 22, 2020 and this Tranche I Prospectus has been filed with the Registrar of Companies, Kerala and Lakshadweep in terms of section 26 and 31 of the Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details please refer to the section titled "Material Contracts and Documents for Inspection" beginning on page 115 of this Tranche I Prospectus.

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SECTION I: GENERAL

DEFINITIONS / ABBREVIATIONS

Company related terms

Term	Description
“We”, “us”, “our”, “the Company”, and “Issuer”	Muthoot Finance Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Muthoot Chambers, Opposite Saritha Theatre Complex, 2 nd Floor, Banerji Road, Kochi 682 018, Kerala, India.
AOA/Articles of Association	Articles of Association of our Company.
Board / Board of Directors	The Board of Directors of our Company and includes any Committee thereof from time to time.
Equity Shares	Equity shares of face value of ₹ 10 each of our Company.
Limited Review Financial Results	The unaudited standalone and consolidated financial information for the three months period ended June 30, 2020.
Memorandum of Association / MOA	Memorandum of Association of our Company.
NCD Committee	The committee constituted by our Board of Directors by a board resolution dated May 16, 2018.
NBFC	Non-Banking Financial Company as defined under Section 45-IA of the RBI Act, 1934.
NPA	Non Performing Asset.
Promoters	M.G. George Muthoot, George Thomas Muthoot, George Jacob Muthoot and George Alexander Muthoot.
Reformatted Financial Information	The reformatted standalone summary statement of assets and liabilities of the Company as of March 31, 2020, 2019, 2018, 2017 and 2016 and the related reformatted standalone summary statement of profit and loss and reformatted standalone statement of cash flows for the period ended March 31, 2020, 2019, 2018, 2017 and 2016 (collectively, together with the annexures thereto, the “ Reformatted Standalone Financial Information ”) and the reformatted consolidated summary statement of assets and liabilities of the Company as of March 31, 2020, 2019, 2018, 2017 and 2016 and the related reformatted consolidated summary statement of profit and loss and reformatted consolidated statement of cash flows for the period ended March 31, 2020, 2019, 2018, 2017 and 2016 (collectively, together with the annexures thereto, the “ Reformatted Consolidated Financial Information ”).
	The Audited Standalone Financial Information and Statutory Auditors reports thereon form the basis of the Reformatted Standalone Financial Information. The Audited Standalone Financial Information for the periods up to March 31, 2017 were audited by the Previous Auditor. The Audited Consolidated Financial Information and Statutory Auditors reports thereon form the basis of the Reformatted Consolidated Financial Information. The Audited Consolidated Financial Information for the periods up to March 31, 2017 were audited by the Previous Auditor.
ROC	The Registrar of Companies, Kerala and Lakshadweep.
₹/ Rs./ INR/ Rupees	The lawful currency of the Republic of India.
Previous Auditor	M/s. Rangamani & Co, Chartered Accountants, FRN: 003050S, 17/598, 2nd Floor, Card Bank Building, West of YMCA, VCSB Road, Allepey - 688 011, Kerala, India retired at the 20th Annual General Meeting of the Company held on September 20, 2017.
Statutory Auditors	M/s. Varma & Varma, Chartered Accountants, FRN: 004532S, “Sreeraghavam”, Kerala Varma Tower, Bldg No. 53/2600 B, C, D & E, Off Kunjanbava Road, Vyttila P.O., Kochi- 682019 were appointed as Statutory Auditors of the Company at the 20 th Annual General Meeting held on September 20, 2017 to hold office for a term of five years, subject to ratification of their appointment by the Members at every Annual General Meeting thereafter.
Subsidiary(ies)	<ul style="list-style-type: none"> (i) Asia Asset Finance PLC, a company registered in the Republic of Sri Lanka, under the Companies Act No.7, of 2007, having its registered office at No.76/1, Dharmapala Mawatha, Colombo 03, Sri Lanka. (ii) Muthoot Homefin (India) Limited, a company registered in India, having its registered office at Muthoot Chambers, Kurians Tower Banerji Road, Cochin Ernakulam, Kerala- 682018. (iii) Belstar Microfinance Limited (formerly known as Belstar Microfinance Private Limited), a company registered in India, having its registered office at New No. 33, Old No. 14, 48th Street, 9th Avenue, Ashok Nagar, Chennai, Tamil Nadu- 600083. (iv) Muthoot Insurance Brokers Private Limited, a company registered in India, having its registered office at 3rd Floor, Muthoot Chambers, Banerji Road Ernakulam, Kerala- 682018. (v) Muthoot Money Limited, a company registered in India, having its registered office at 41 4108 A 18 Opp Saritha Theatre Banerji Road, Ernakulam- 682018. (vi) Muthoot Asset Management Private Limited, a company registered in India, having its registered office at F801, Lotus Corporate Park, Western Express Highway, Goregaon East, Mumbai - 400063. (vii) Muthoot Trustee Private Limited, a company registered in India, having its registered office at F801, Lotus Corporate Park, Western Express Highway, Goregaon East, Mumbai - 400063.

Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of the Shelf Prospectus and the relevant Tranche Prospectus
Acknowledgement	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application

Term	Description
slip	Form.
Addendum Advertisement	Advertisement issued by the Company dated October 14, 2020 which was published on October 15, 2020 in national daily newspaper with wide circulation and subsequently forwarded to the BSE and SEBI on October 15, 2020, setting out the addendum and amendments to the Draft Shelf Prospectus
Allotment / Allotted	Unless the context otherwise requires, the allotment of the NCDs pursuant to the Issue to the Allottees.
Allottee(s)	The successful applicant to whom the NCDs are being/have been allotted in full or proportionate basis.
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
Amendment to the Issue Agreement	Agreement dated October 14, 2020 executed between the Company and the Lead Managers
Amendment to the Registrar Agreement	Agreement dated October 14, 2020 executed between the Company and the Registrar
Applicant / Investor	The person who applies for issuance and Allotment of NCDs pursuant to the terms of the Prospectus and Abridged Prospectus and the Application Form for the respective Tranche Issue .
Application	An application for Allotment of NCDs made through the ASBA process offered pursuant to the Tranche I Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the respective Tranche Prospectus.
Application Form/ASBA Form	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process and which will be considered as the Application for Allotment of NCDs in terms of the Draft Shelf Prospectus, in terms of the Shelf Prospectus and respective Tranche Prospectus.
ASBA Application or “Application Supported by Blocked Amount”	The Application in terms of which the Applicant apply by authorising SCSB to block the Application Amount in the specified bank account maintained with such SCSB.
ASBA Account	An account maintained with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of an Applicant.
Bankers to the Issue	ICICI Bank Limited
Base Issue	₹ 1,000 million.
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 85 of this Tranche I Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchanges 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 .
Credit Rating Agencies	For the present Issue, the credit rating agencies, being CRISIL and ICRA
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications in the Issue, at the Designated CDP Locations.
Coupon Rate	Please see the section titled “ <i>Terms of the Issue</i> ” on page 43 of this Tranche I Prospectus.
CRISIL	CRISIL Limited (formerly known as Credit Rating Information Services of India Limited).
Debt Application Circular	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.
Debenture Holder (s) / NCD Holder(s)	The holders of the NCDs whose name appears in the database of the relevant Depository.
Debt Listing Agreement	The listing agreement entered into between our Company and the relevant stock exchange(s) in connection with the listing of Secured NCDs of our Company.
Debenture Agreement	Agreement dated September 30, 2020 entered into between our Company and the Debenture Trustee.
Debenture Trust Deed	The trust deed to be executed by our Company and the Debenture Trustee for creating the security over the NCDs issued under the Tranche I Issue
Demographic Details	Details of the investor such as address, bank account details and occupation, which are based on the details provided by the Applicant in the Application Form.
Deemed Date of Allotment	The date on which the Board or the NCD Committee of the Board constituted by resolution of the Board dated May 16, 2018 approves the Allotment of the NCDs for the Tranche I Issue. 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 (as specified for the Tranche I Issue by way of this Tranche I Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment.
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).
DP / Depository Participant	A depository participant as defined under the Depositories Act.
Designated Branches	Such branches of SCSBs which shall collect the Applications and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
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

Term		Description
		Public Issue Account and/or Refund Account in terms of the Shelf Prospectus and this Tranche I Prospectus and the Public Issue Account Agreement.
Designated Intermediaries		The Members of the Syndicate, SCSBs, Trading Members, RTAs and CDPs who are authorized to collect Application Forms from the Applicants, in relation to the Tranche I Issue.
Designated Locations	RTA	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange at www.bseindia.com.
Designated Exchange	Stock	BSE i.e. BSE Limited
Direct Application	Online	The application made using an online interface enabling direct application by investors to a public issue of their debt securities with an online payment facility through a recognized stock exchange. This facility is available only for demat account holders who wish to hold the NCDs pursuant to the Tranche I Issue in dematerialized form. Please note that the Applicants will not have the option to apply for NCDs under the Tranche I Issue, through the direct online applications mechanism of the Stock Exchange
Draft Prospectus	Shelf	The Draft Shelf Prospectus dated September 30, 2020 was filed with the Designated Stock Exchange for receiving public comments and with SEBI in accordance with the provisions of the Act/relevant provisions of the Companies Act, 2013 applicable as on the date of filing the Draft Shelf Prospectus and the SEBI Debt Regulations.
ICRA		ICRA Limited.
Insurance Companies Issue		Insurance companies registered with the IRDA. Public issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000.00 each for an amount upto the Shelf Limit. The Secured NCDs will be issued in one or more tranches, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue. The 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 Companies Act, 2013 and rules made thereunder as amended to the extent notified.
Issue Agreement		Agreement dated September 30, 2020 executed between the Company and the Lead Managers, further amended by way of amendment agreement dated October 14, 2020.
Lead Brokers		Axis Capital Limited, Edelweiss Broking Limited, Integrated Enterprises (India) Private Limited, ICICI Securities Limited, Muthoot Securities Limited, SMC Global Securities Limited, IIFL Securities Limited, RR Equity Brokers Private Limited, Kotak Securities Limited, A. K. Stockmart Private Limited, JM Financial Services Limited, Equirus Securities Private Limited and Bajaj Capital Limited
Lead Agreement	Broker	Memorandum of understanding dated October 15, 2020 executed between the Company, Lead Brokers and the Lead Managers for Tranche I Issue
Lead Managers		Edelweiss Financial Services Limited, JM Financial Limited, Equirus Capital Private Limited and A. K. Capital Services Limited.
Market Lot		1 NCD.
Members of the Syndicate		Lead Managers and the Lead Brokers.
Members of the Syndicate Bidding Centres		Members of the Bidding Centres established for acceptance of Application Forms.
NCD		Non-convertible debentures
Options		An option of NCDs which are identical in all respects including, but not limited to terms and conditions, listing and ISIN and as further stated to be an individual Option in the Shelf Prospectus and this Tranche I Prospectus. Collectively, the options of NCDs being offered to the Applicants as stated in the section titled ' Issue Related Information ' beginning on page 43 of this Tranche I Prospectus.
Offer Document Prospectus		The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and the Abridged Prospectus.
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 in this Tranche I Prospectus.
Public Issue Account Agreement		Agreement dated October 15, 2020 executed between the Company, the Public Issue Account Bank, the Lead Managers and the Registrar to the Issue.
Public Issue Account Banks		ICICI Bank Limited
Record Date		The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption under this Tranche I Prospectus. In case the Record Date falls on a day when the Stock Exchange is having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.
Redemption/ Maturity Amount		Please see the section titled " Terms of the Issue " on page 43 of this Tranche I Prospectus
Redemption/ Maturity Date		Please see the section titled " Terms of the Issue " on page 43 of this Tranche I Prospectus
Refund Account(s)		The account(s) opened by our Company with the Refund Bank, from which refunds of the whole or part of the Application Amounts, if any, shall be made.
Refund Bank		ICICI Bank Limited
Registrar to the Issue		Link Intime India Private Limited
Registrar and Share Transfer Agents or RTA		Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Issue at the Designated RTA Locations.
SEBI Regulations	Debt	SEBI (Issue and Listing of Debt Securities) Regulations, 2008, issued by SEBI, effective from June 06, 2008 as amended from time to time.
SEBI Regulations	ICDR	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
Secured NCD(s)		Secured, redeemable non-convertible debentures for an amount of upto ₹ 40,000 million offered through the Shelf

Term	Description
Senior Citizen	Prospectus and the relevant Tranche I Prospectus of face value of ₹ 1,000 each.
Self Certified Syndicate Banks or SCSBs	A person who on the date of this Tranche I Issue has attained the age of 60 years or more. The banks registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 offering services in relation to ASBA, including blocking of an ASBA Account, and a list of which is available on https://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other web-link as may be prescribed by SEBI from time to time. A list of the branches of the SCSBs where ASBA Applications submitted to the Lead Managers, Lead Brokers or the Trading Member(s) of the Stock Exchange, will be forwarded by such Lead Managers, Lead Brokers or the Trading Members of the Stock Exchange is available at www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time.
Shelf Limit	The aggregate limit of the Issue, being ₹ 40,000 million to be issued under the Draft Shelf Prospectus, Shelf Prospectus and the respective Tranche Prospectus(es) through one or more Tranche Issues.
Shelf Prospectus	The Shelf Prospectus dated October 22, 2020 filed by our Company with the SEBI, BSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations.
Specified Cities / Specified Locations	Bidding Centres where the Member of the Syndicate 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
Syndicate ASBA	Applications through the Designated Intermediaries.
Syndicate ASBA Application Locations	Bidding centres where the Designated Intermediaries 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.
Syndicate SCSB Branches	In relation to Applications submitted to a Designated Intermediary, 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 refer to the section titled “ <i>Issue Structure</i> ” beginning on page 48 of this Tranche I Prospectus.
Tier I capital	Tier I capital means, owned fund as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten percent of the owned fund.
Tier II capital	Tier-II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; and (e) subordinated debt to the extent the aggregate does not exceed Tier-I capital.
Transaction Registration Slip or TRS	The slip or document issued by any of the Designated Intermediaries as the case may be, to an Applicant upon demand as proof of registration of his Application.
Trading Members	Individuals or companies registered with SEBI as “trading members” who hold the right to trade in stocks listed on the Stock Exchanges, through whom investors can buy or sell securities listed on the Stock Exchange, a list of which are available on www.bseindia.com (for Trading Members of BSE).
Tranche I Issue	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each (“NCDs”) for an amount of ₹ 1,000 million (“ Base Issue ”) with an option to retain oversubscription up to ₹ 19,000 million aggregating upto 20,000,000 NCDs amounting to ₹ 20,000 million (“ Tranche I Issue Limit ”) (“ Tranche I Issue ”) which is within the shelf limit of ₹ 40,000 million and is being offered by way of this Tranche I Prospectus dated October 22, 2020, containing, inter alia, the terms and conditions of this Tranche I Issue (“ Tranche I Prospectus ”), which should be read together with the Shelf Prospectus dated October 22, 2020 (“ Shelf Prospectus ”) filed with the Registrar of Companies, Kerala and Lakshadweep, the Stock Exchange and the SEBI.
Tranche I Issue Opening Date	October 27, 2020
Tranche I Issue Closing Date	November 20, 2020 or such early or extended date as may be decided by the NCD Committee of the Board.
Tranche I Issue Period	The period between the Tranche I Issue Opening Date and the Tranche I Issue Closing Date inclusive of both days.
Tranche I Prospectus	This Tranche Prospectus dated October 22, 2020 containing the details of the NCDs issued pursuant to the Tranche I Issue.
Tranche Prospectus(es)	The Tranche Prospectus(es) containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts and documents for inspection, in respect of the relevant Tranche Issue.
Trustees / Debenture Trustee	Trustees for the Debenture Holders in this case being IDBI Trusteeship Services Limited.
Working Day	All days excluding the second and the fourth Saturday of every month, Sundays and a public holiday in Kochi or Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to 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 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 subscription list shall remain open for subscription on Working Days from 10 A.M. to 5 P.M., during the period indicated above, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company (“Board**”) or NCD Committee. In the event of such an early closure or extension of 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 national daily newspaper with wide circulation on or before such earlier date or extended date of closure. Application 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 BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 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.*

Industry related terms

Term	Description
ALCO	Asset Liability Committee.
ALM	Asset Liability Management.
CRAR	Capital to Risk Adjusted Ratio.
ECGC	Export Credit Guarantee Corporation of India Limited.
Gold Loans	Personal and business loans secured by gold jewelry and ornaments.
IBPC	Inter Bank Participation Certificate.
KYC	Know Your Customer.
NBFC	Non Banking Financial Company.
NBFC-ND	Non Banking Financial Company- Non Deposit Taking.
NBFC-ND-SI	Non Banking Financial Company- Non Deposit Taking-Systemically Important.
NPA	Non Performing Asset.
NRI/Non-Resident	A person resident outside India, as defined under the FEMA
NSSO	National Sample Survey Organisation.
PPP	Purchasing Power Parity.
RRB	Regional Rural Bank.
SCB	Scheduled Commercial Bank.

Conventional and general terms

Term	Description
AADHAR	12-digit unique number which the Unique Identification Authority of India {UIDAI} issues for all residents of India.
AGM	Annual General Meeting.
AS	Accounting Standard.
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Limited.
Companies Act, 2013	The Companies Act, 2013, to the extent notified by the Ministry of Corporate Affairs, Government of India, including modification, reactment and rules prescribed thereunder.
DRR	Debenture Redemption Reserve.
EGM	Extraordinary General Meeting.
EPS	Earnings Per Share.
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 the Company's sector of business as amended from time to time.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Non Debt Instruments) Rules, 2019, as amended from time to time.
Financial Year / FY	Financial Year ending March 31.
GDP	Gross Domestic Product.
GoI	Government of India.
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standards.
IFSC	Indian Financial System Code.
Indian GAAP	Generally Accepted Accounting Principles in India.
IndAS	Indian Accounting Standards
IRDAI	Insurance Regulatory and Development Authority of India.
IT Act	The Income Tax Act, 1961, as amended from time to time.
MCA	Ministry of Corporate Affairs, Government of India.
MICR	Magnetic Ink Character Recognition.
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India Limited.
PAN	Permanent Account Number.
RBI	The Reserve Bank of India.
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
RTGS	Real Time Gross Settlement.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
SEBI Act	The Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
TDS	Tax Deducted at Source.
WDM	Wholesale Debt Market.

Notwithstanding anything contained herein, capitalised terms that have been defined in the sections titled “*Statement of Tax Benefits*”, and “*Issue Procedure*” on beginning pages 30 and 68 of this Tranche I Prospectus, respectively will have the meanings ascribed to them in such sections.

FORWARD-LOOKING STATEMENTS

This Tranche I Prospectus contains certain “forward-looking statements”. These forward looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “future”, “goal”, “plan”, “contemplate”, “propose” “seek to” “project”, “should”, “will”, “will continue”, “will pursue”, “will likely result” or other words or phrases of similar import. All forward-looking statements are based on our current plans and expectations and are subject to a number of uncertainties and risks and assumptions that could significantly and materially affect our current plans and expectations and our future financial condition and results of operations. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- The impact of the COVID-19 pandemic on the economy , our business and operations;
- Instability of global and Indian economies and banking and financial sectors could affect the liquidity of our Company, which could have a material adverse effect on our Company’s financial condition;
- General economic and business conditions in India and globally;
- Our ability to successfully sustain our growth strategy;
- Our ability to compete effectively and access funds at competitive cost;
- Unanticipated turbulence in interest rates, equity prices or other rates or prices; the performance of the financial and capital markets in India and globally;
- The outcome of any legal or regulatory proceedings we are or may become a party to;
- Any disruption or downturn in the economy of southern India;
- Our ability to control or reduce the level of stage 3 assets in our loan portfolio;
- General political and economic conditions in India;
- Change in government regulations;
- Competition from our existing as well as new competitors;
- Our ability to compete with and adapt to technological advances; and
- Occurrence of natural calamities or natural disasters affecting the areas in which our Company has operations.

For further discussion of factors that could cause our actual results to differ, see the section titled “*Risk Factors*” on page 11 of the Shelf Prospectus.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled “*Industry Overview*” and “*Our Business*” on pages 82 and 96 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 at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, our Company’s actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

Neither our Company, its Directors and officers, nor any of their respective affiliates or associates 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 SEBI Debt Regulations, the Company and the Lead Managers will ensure that investors in India are informed of material developments between the date of filing this Tranche I Prospectus with the Stock Exchanges and the date of the receipt of listing and trading permission being obtained from the Stock Exchange .

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

In this Tranche I Prospectus, unless otherwise specified or the context otherwise indicates or implies the terms, all references to “Muthoot Finance Limited”, “Issuer”, “we”, “us”, “our” and “our Company” are to Muthoot Finance Limited.

Unless stated otherwise, all references to page numbers in this Tranche I Prospectus are to the page numbers of this Tranche I Prospectus.

Unless stated otherwise, all references to financial numbers are on a standalone basis.

Unless the context otherwise indicates or implies, references to “you”, “offeree,”, “purchaser”, “subscriber”, “recipient”, “investors” and “potential investor” are to the prospective investors in this Issue.

All references to “India” are to the Republic of India and its territories and possessions, and all references to the “Government”, the “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Unless otherwise stated, references in this Tranche I Prospectus to a particular year are to the calendar year ended on December 31 and to a particular “financial year” are to the financial year starting from April 01 and ending on March 31.

Unless otherwise stated all figures pertaining to the financial information in connection with our Company are on an unconsolidated basis.

Presentation of Financial Information

Our Company publishes its financial statements in Rupees. Our Company’s financial statements for the year ended March 31, 2018, March 31, 2017 and March 31, 2016, have been prepared in accordance with Indian GAAP including the Accounting Standards notified under the Companies Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended and General Circular 8/2014 dated April 4, 2014 (“**IGAAP**”). 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, the Company has followed the Accounting Standards issued by the ICAI specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 (“**Ind AS**”). Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for period ending as on March 31, 2020, March 31, 2019, together with the comparative period data as at and for the year ended March 31, 2018.

The impact of transition has been recorded in the opening reserves as at April 1, 2017 and the corresponding figures, presented in the standalone financial statements of the Company for the year ended March 31, 2018, have been restated/reclassified. Therefore, our standalone and consolidated financial statements for the year ended March 31, 2020 and March 31, 2019 are prepared in accordance with Ind AS and are not comparable to our historical financial statements. There are significant differences between RBI regulations and Ind AS and the RBI has not issued any clarifications with respect to these differences. From April 1, 2018, the Company has computed key parameters including capital adequacy ratio, risk weighted assets, net owned fund, gross NPA, provision for non-performing assets derived from the financial statement prepared in accordance with Ind AS. These computations may undergo changes if the RBI issues any guidelines for such computations with retrospective effect.

The Limited Review Standalone and Consolidated Financial Results of the Company for the quarter ended June 30, 2020 submitted by the Company to the BSE and NSE pursuant to the requirements of Regulation 33 of the SEBI LODR Regulations (“**Limited Review Financial Results**”) are included in the Shelf Prospectus in Annexure B titled “*Limited Review Financial Results*” beginning at pages B-1 of the Shelf Prospectus.

The Reformatted Standalone Financial Information and the Reformatted Consolidated Financial Informations 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, M/s. Varma & Varma, Chartered Accountants, are included in Annexure A titled “*Financial Information*” beginning at page A-1 of the Shelf Prospectus.

Unless stated otherwise, the financial data upto and for the year ended March 31, 2017 and March 31, 2016 used in the Prospectus is derived from our Company's "Reformatted Financial Information" prepared under IGAAP and the financial data for the year ended March 31, 2020, March 31, 2019 and March 31, 2018 used in the Shelf Prospectus is derived from our Company's "Reformatted Financial Information" prepared under Ind AS.

Unless stated otherwise, the financial data for the quarter ended June 30, 2020 used in the Shelf Prospectus is derived from our Company's "**Limited Review Financial Results**" prepared under IND AS.

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

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, financial data will be given in ₹ in Millions.

Except where stated otherwise in this Tranche I Prospectus, all financial data have been expressed in ₹ in Million.

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

Industry and Market Data

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 "*IMaCS Industry Report-Gold Loan Market in India 2019*", "*IMaCS Industry Report-Gold Loan Market in India 2018*" and "*IMaCS Industry Report-Gold Loan Market in India 2017*" for industry related data that has been disclosed in this Tranche I 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. We have relied on third party industry reports which have been used for industry related data in this Tranche I Prospectus and such data have not been independently verified by us.

Given that 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.

SECTION II: INTRODUCTION

GENERAL INFORMATION

Our Company was originally incorporated as a private limited company on March 14, 1997 under the provisions of the Companies Act, 1956, with the name “The Muthoot Finance Private Limited”. Subsequently, by a fresh certificate of incorporation dated May 16, 2007, our name was changed to “Muthoot Finance Private Limited”. Our Company was converted into a public limited company on November 18, 2008 with the name “Muthoot Finance Limited” and received a fresh certificate of incorporation consequent to change in status on December 02, 2008 from the Registrar of Companies, Kerala and Lakshadweep. Muthoot Fincorp Limited is neither a related company nor is a company under the same management within the meaning of the Companies Act, 1956*. For further details regarding the Promoters and the group companies please refer to “*Our Promoters*” at page 144 of the Shelf Prospectus.

*Disclosure made in accordance with letter from SEBI bearing no. IMD/DOF-1/BM/VA/OW/22785/2013 dated October 30, 2013.

Corporate and Registered Office

Muthoot Finance Limited

2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Ernakulam 682 018
Kerala, India
Tel: (+91 484) 239 4712
Fax: (+91 484) 239 6506
Website: www.muthootfinance.com
Email: ncd@muthootgroup.com

For details of change in registered office, refer to the section titled “*History and Main Objects*” on page 120 of the Shelf Prospectus.

Registration

Registration Number: 011300

Corporate Identity Number: L65910KL1997PLC011300 issued by the Registrar of Companies, Kerala and Lakshadweep.

Certificate of registration bearing number N. 16.00167 under Section 45IA of the RBI Act, 1934 from the RBI dated December 12, 2008 from the RBI to carry on the business of a non-banking financial institution without accepting public deposits.

Chief Financial Officer

Oommen K. Mammen
2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Ernakulam 682 018
Kerala, India
Tel: (+91 484) 2397156
Fax: (+91 484) 2396506
Email: oommen@muthootgroup.com

Company Secretary and Compliance Officer

Rajesh A.
2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Ernakulam 682 018
Kerala, India
Tel: (+91 484) 6690255
Fax: (+91 484) 2396506

Email: cs@muthootgroup.com

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre-issue or post-issue related issues such as non-receipt of intimation of allotment, demat credit of allotted NCDs or refunds, as the case may be.

All grievances relating to the Tranche I Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of NCDs applied for, amount paid on application, Depository Participant and the collection centre of the Designated Intermediary where the Application was submitted.

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

All grievances arising out of Applications for the NCDs made through the Online Stock Exchanges Mechanism may be addressed directly to the respective Stock Exchanges.

Lead Managers

Edelweiss Financial Services Limited

Edelweiss House
Off CST Road, Kalina
Mumbai 400 098
Tel: +91 22 4086 3535
Fax: +91 22 4086 3610
Email: muthoot.ncd@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

JM Financial Limited

7th Floor, Cnergy,
Appasaheb Marathe Marg, Prabhadevi
Mumbai – 400 025
CIN: L67120MH1986PLC038784
Tel: (+91 22) 6630 3030
Fax: (+91 22) 6630 3330
Email: MFL.bondissue2020@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

Equirus Capital Private Limited

12th Floor, C Wing,
Marathon Futurex, N.M. Joshi Marg,
Lower Parel, Mumbai 400 013
Tel: +91 (22) 4332 0600
Fax: +91-(22)4332-0601
Email: muthoot.ncd@equirus.com
Investor Grievance Email: investorsgrievance@equirus.com
Website: www.equirus.com
Contact person: Ms. Nandini Garg
Compliance Officer: Mr. Jyot Bhat
SEBI Registration Number: INM000011286

A. K. Capital Services Limited*

30-38, Free Press House
3rd floor, Free Press Journal Marg
215, Nariman Point
Mumbai - 400 021, India
Tel: (+91 22) 6754 6500
Fax: (+91 22) 6610 0594
Email: mflncd2020@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Ms. Aanchal Wagle/ Mr. Mrunal Jadhav
Compliance Officer: Mr. Tejas Davda
SEBI Registration No.: INM000010411

*A.K. Capital Services Limited was appointed as a Lead Manager to the Issue subsequent to filing of the Draft Shelf Prospectus dated September 30, 2020 with the BSE for public comments. The appointment was authorised by the NCD Committee by way of resolution dated October 14, 2020 and such appointment was intimated to the general public by way of the Addendum Advertisement.

Debenture Trustee**IDBI Trusteeship Services Limited**

Asian Building, Ground Floor
17 R, Kamani Marg, Ballard Estate
Mumbai 400 001, India
Tel: (+91 22) 4080 7000
Fax: (91 22) 6631 1776
Email: anjalee@idbitrustee.com
Website: www.idbitrustee.co.in
Contact Person: Anjalee Athalye
SEBI Registration No.: IND000000460

IDBI Trusteeship Services Limited has, pursuant to regulation 4(4) of the SEBI Debt Regulations, by its letter dated September 30, 2020 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

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

C-101, 247 Park, L B S Marg,
Vikhroli West,
Mumbai 400 089, India
Tel: (+91 22) 4918 6200
Fax: (+91 22) 4918 6195
Email: mfl.ncd2020@linkintime.co.in
Investor Grievance
Email: mfl.ncd2020@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalakrishnan
SEBI Registration No.: INR000004058

Link Intime India Private Limited has by its letter dated September 22, 2020 given its consent for its appointment as Registrar to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus or this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Statutory Auditors**Varma & Varma**

Chartered Accountants

"Sreeraghavam", Kerala Varma Tower,
Bldg No. 53/2600 B, C, D & E,
Off Kunjanbava Road, Vyttila P.O.,
Kochi- 682019
Tel: 91 – 484 – 2302223
Fax: 91 – 484 – 2306046
Email: kochi@varmaandvarma.com
Firm Registration No.: 004532S

M/s. Varma & Varma, Chartered Accountants, has been the statutory auditor of the Company since September 20, 2017. Previously, M/s. Rangamani & Co. has been the statutory auditor of the Company since September 2002 and continued as the statutory auditor of the Company till September 20, 2017. Members of the Company in their annual general meeting dated September 20, 2017 appointed M/s. Varma & Varma, Chartered Accountants (FRN: 004532S) in place of the retiring auditors M/s. Rangamani & Co.

Credit Rating Agencies

ICRA Limited

Building No. 8, 2nd Floor,
Tower A, DLF Cyber City, Phase II,
Gurgaon – 122 002
Telephone: (+91) (124) 4545 310
Facsimile: (+91) (124) 4050 424
Email: amit.gupta@icraindia.com
Contact Person: Mr. Amit Kumar Gupta
Website: www.icra.in
SEBI Registration Number: IN/CRA/008/2015

CRISIL Limited

CRISIL House, Central Avenue
Hiranandani Business Park, Powai
Mumbai 400 076, India
Telephone: (+91 22) 3342 3000 (B)
Facsimile: (+91 22) 3342 3050
Email: crisilratingdesk@crisl.com
Contact Person: Mr. Krishnan Sitaraman
Website: www.crisil.com
SEBI Registration Number: IN/CRA/001/1999

Credit Rating

The Secured NCDs proposed to be issued under this Issue have been rated 'CRISIL AA/Positive' (pronounced as CRISIL double A rating with Positive outlook) for an amount of ₹40,000 million, by CRISIL vide their letter dated September 22, 2020 and further revalidated by rating letter dated October 08, 2020 and '[ICRA]AA(Stable)' (pronounced as ICRA double A) for an amount of ₹40,000 million by ICRA Limited vide their letter dated September 26, 2020 and further revalidated by rating letter dated October 09, 2020. The rating of 'CRISIL AA/Positive' by CRISIL Limited and '[ICRA]AA (Stable)' by ICRA Limited indicate that instruments with these ratings are considered to have a high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. For the rationale for these ratings, see pages 118 and 147 of this Tranche I Prospectus. These ratings are not recommendations to buy, sell or hold securities and investors should take their own decision. These ratings are subject to revision or withdrawal at any time by the assigning rating agencies and should be evaluated independently of any other ratings.

Disclaimer clause of ICRA

"This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and confirmed to use by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to suspend, withdraw or revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds to be issued by you. If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter communicating this rating, the same would stand withdrawn unless revalidated before the expiry of 3 months."

Disclaimer clause of CRISIL

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

Legal Advisors to the Issue

AZB & Partners

7th Floor, Embassy Icon
Infantry Road,
Bengaluru – 560 001, India
Tel: (+91 80) 4240 0500
Fax: (+91 80) 2221 3947

Public Issue Account Bank and Refund Bank

ICICI Bank Limited

Capital Market Division, 1st Floor
122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation
Churchgate, Mumbai 400 020 – India
Tel: 022-6681 8911/924/923
Fax: 022-2261 1138
Email: kmr.saurabh@icicibank.com
Contact Person: Saurabh Kumar
Website: www.icicibank.com
SEBI Registration No.: INBI00000004

Lead Broker(s) to the Issue

Axis Capital Limited

Axis House, Level 1, C-2,
Wadia International Centre,
P.B. Marg, Worli, Mumbai 400 025
Tel: (91 22) 4325 3110
Fax: (91 22) 43253000
Email: ajay.sheth@axiscap.in / vinayak.ketkar@axiscap.in
Contact Person: Ajay Sheth / Vinayak Ketkar
Website: www.axiscapital.co.in
SEBI Registration No.: INM000012029

Edelweiss Broking Limited

Edelweiss House,
Off. C.S.T Road,
Kalina, Mumbai – 400 098
Tel: (91 22) 4063 5569 / (91 22) 4063 5411
Fax: NA
Email: amit.dalvi@edelweissfin.com / pakash.boricha@edelweissfin.com
Contact Person: Mr. Amit Dalvi / Mr. Prakash Boricha
Website: www.edelweissfin.com
SEBI Registration No.: INZ000166136

Equirus Securities Private Limited

12th Floor, C Wing, Marathon Futorex, N.M. Joshi Marg, Lower Parel,
Mumbai 400 013
Tel: +91 (22) 4332 0600
Fax: +91 (22) 4332-0601

Bajaj Capital Limited

Mezzanine Floor, Bajaj House,
97, Nehru Place,
New Delhi 110 019
Tel: 011-41693000/67000000

Lead Broker(s) to the Issue

Email: jay.soni@equirus.com / admin.equities@equirus.com
Contact Person: Jay Soni
Website: www.equirus.com
SEBI Registration No.: INZ000251536

Fax: 022-40099911
Email: info@bajajcapital.com
Contact Person: Sumit Dudani
Website: www.bajajcapital.com
SEBI Registration No.: INZ000007732

Integrated Enterprises (India) Private Limited
501-502, Coral Classic Commercial Complex, Road No. 20,
Chembur East, Mumbai 400 071.
Tel: (91 22) 4066 1800
Fax: NA
Email: krishnan@integratedindia.in
Contact Person: V Krishnan
Website: www.integratedindia.in
SEBI Registration No.: INZ000095737

ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg,
Churchgate, Mumbai-400 020
Tel: (+91 22) 2277 7626
Fax: (+91 22) 2288 2455
Email: rajat.rawal@icicisecurities.com, customercare@icicisecurities.com
Contact Person: Rajat Rawal
Website: www.icicisecurities.com
SEBI Registration No.: INM000011179

Muthoot Securities Limited
1st Floor, Alpha Plaza, KP Vallon Road
Kadavanthara, Kochi
Kerala 682 020, India
Tel: (91 484) 433 7555
Fax: NA
Email: securities@muthootsecurities.com
Contact Person: Ragesh G.R. (Director & CEO)
Website: www.muthootsecurities.com
SEBI Registration No.: BSE: INB011294338;

SMC Global Securities Limited
17, Netaji Subhash Marg,
Opposite Golcha Cinema, Daryaganj,
New Delhi- 110 002
Tel: 011-66623300 / 9910644949 / 8595851823
Fax: (91 11) 3012 2061
Email: neerajkhanna@smcindiaonline.com
Contact Person: Sushil Joshi / Neeraj Khanna
Website: www.smctradeonline.com
SEBI Registration No.: INB23/07714-31

IIFL Securities Limited
6th & 7th Floor, Ackruti Centre Point,
Central Road, MIDC, Andheri (E),
Mumbai – 400 093
Tel: (91 22) 3929 4000 / 4103 5000
Fax: (91 22) 2580 6654
Email: cs@indiainfoline.com
Contact Person: Prasad Umarale
Website: www.indiainfoline.com
Investor Grievance e-mail ID: customergrievances@indiainfoline.com
SEBI Registration No.: INZ000164132

RR Equity Brokers Private Limited
412-422, Indraprakash Building, 21,
Barakhamba Road,
New Delhi – 110001
Tel: (91 11) 2335 4802
Fax: (91 11) 2332 0671
Email: ipo@rrfcl.com
Contact Person: Jeetesh Kumar
Website: www.rrfinance.com
SEBI Registration No.: BSE: INB011219632; NSE: INB231219636

Kotak Securities Limited
4th Floor, 12BKC, G Block, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051
Tel: (91 22) 6748 5470
Fax: NA
Email: umesh.gupta@kotak.com
Contact Person: Umesh Gupta
Website: www.kotak.com
SEBI Registration No.: BSE: INB010808153; NSE: INB230808130

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: NA
Email: ankit@akgroup.co.in / ranjit.dutta@akgroup.co.in
Contact Person: Ankit Gupta / Ranjit Dutta
Website: www.akgroup.co.in
SEBI Registration No.: INZ000240830

JM Financial Services Limited
2, 3 and 4 Kamanwala Chambers, Ground Floor, Sir PM Road, Fort,
Mumbai 400 001
Tel: 022-6136 3400
Fax: NA
Email: surajit.mishra@jmfl.com / deepak.vaidya@jmfl.com / tn.kumar@jmfl.com / sona.verghese@jmfl.com
Contact Person: Surajit Mishra/Deepak Vaidya/ TN Kumar/ Sona Varghese
Website: www.jmfinancialservices.in
SEBI Registration No.: INZ000195834

Impersonation

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

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, i.e., INR 750 Million. If our Company does not receive the minimum subscription of 75% of the Base Issue, within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within the timelines prescribed under Applicable Law. In the event, there is a delay, by our Company in making the aforesaid refund within the prescribed time limit, our Company will pay interest at the rate of 15% 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 circular (bearing CIR/IMD/DF-1/20/2012) dated July 27, 2012.

Arrangers

No arrangers have been appointed for this Issue.

Designated Intermediaries

Self-Certified Syndicate Banks

The banks which are registered with SEBI under 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> or at such other website as may be prescribed by SEBI from time to time. A list of the Designated Branches of the SCSBs, with which an Applicant, not applying through the Syndicate, may submit the Application Forms, is available at <http://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.

Syndicate SCSB Branches

In relation to Applications submitted to the Designated Intermediaries, the list of branches of the SCSBs to receive deposits of ASBA Applications from such Designated Intermediaries is provided on <http://www.sebi.gov.in> or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Applications from Designated Intermediaries, see the above mentioned web-link.

CRTAs / CDPs

The list of the CRTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of the BSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> for CRTAs and CDPs, as updated from time to time.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the

respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Utilisation of Issue proceeds

Our Board of Directors certify that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account as referred to in Section 40 of the Companies Act, 2013;
- the allotment letter shall be issued or application money shall be refunded/unblocked within six Working Days from the closure of the issue or such lesser time as may be specified by SEBI, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;
- details of all utilised and unutilised monies out of previous issues made by way of public offer, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilised and the form in which such unutilised monies have been invested; and
- we shall utilize the Issue proceeds only upon creation of security and obtaining Listing and Trading approval as stated in this Tranche I Prospectus in the section titled “*Issue Structure*” beginning on page 48 of this Tranche I Prospectus.
- 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 or in the purchase of any business or in the purchase of an interest in any business.

Issue Programme

ISSUE OPENS ON	October 27, 2020
ISSUE CLOSES ON	November 20, 2020

The subscription list shall remain open for subscription on Working Days from 10 A.M. to 5 P.M., during the period mentioned above, except that this Tranche I Issue may close on such earlier date or extended date as may be decided by the Board or NCD Committee. In the event of such an early closure or extension of subscription list of this Tranche I 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.

Application 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 BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 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.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchange on the Tranche I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche I Issue Closing Date and, not later than 3.00 p.m. (Indian Standard Time) on the Tranche I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under this Tranche I Issue. Application Forms will only be accepted on Working Days during the Tranche I Issue Period. Neither our Company, nor the Designated Intermediaries will be liable for any failure in uploading the Applications due to failure in any software/hardware systems or otherwise. As per the SEBI circular dated October 29, 2013, the allotment in this Tranche I Issue should be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

THE ISSUE

The following is a summary of the Tranche I Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter titled “*Terms of the Issue*” beginning on page 43 of this Tranche I Prospectus.

Common Terms of NCDs**

Issuer	Muthoot Finance Limited
Lead Managers	Edelweiss Financial Services Limited, JM Financial Limited, Equirus Capital Private Limited and A. K. Capital Services Limited.
Debenture Trustee	IDBI Trusteeship Services Limited
Registrar to the Issue	Link Intime India Private Limited
Type and nature of instrument	Secured, redeemable non-convertible debentures of face value ₹ 1,000 each
Base Issue	₹ 1,000 million
Option to retain Oversubscription Amount	₹ 19,000million.
Tranche I Issue Size	₹ 20,000 million
Shelf Limit	₹ 40,000 million
Face Value (in ₹ / NCD)	₹ 1,000
Issue Price (in ₹ / NCD)	₹ 1,000
Minimum application	₹ 10,000 (10 NCDs) (for all options of NCDs, namely Option I, Option II, Option III, Option IV, Option V and Option VI).
In multiples of Seniority	₹ 1,000.00 (1 NCD) Senior (to clarify, 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 would constitute secured obligations of ours and shall rank <i>pari passu</i> inter se, present and future 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 first <i>pari passu</i> charge on current assets, book debts, loans and advances, and receivables including gold loan receivables, both present and future, of our Company, by way of hypothecation. The issuer shall create and maintain security for the Secured NCDs in favour of the Debenture Trustee for the Secured NCD Holders on the book value of the above assets as appearing in the balance sheet from time to time to the extent of 100% of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. The Company is required to obtain permissions / consents from the prior creditors having corresponding assets as Security, in favour of the Debenture Trustee, for creation of such <i>pari passu</i> charge. The Company had applied to the prior creditors for such permissions / consents and has obtained all permissions / consents from such creditors thereby enabling it to undertake the Issue. At the request of the Company, the Debenture Trustee may release/ exclude a part of the assets mentioned above from the security so created for the Secured NCDs, subject to the Company maintaining the security cover as mentioned above and subject to such other terms and conditions as may be stipulated by the Debenture Trustee. The Company shall carry out subsequent valuation of the assets mentioned above, at the request of the Debenture Trustee, at the Company's cost.
Mode of Issue	Public Issue
Issue	Public issue by our Company of Secured NCDs of face value of ₹ 1,000.00 each, for an amount up to ₹ 40,000 million (“ Shelf Limit ”), hereinafter referred to as the “Issue”. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue (each a “ Tranche Issue ”)
Tranche I Issue	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each (“ NCDs ”) for an amount of ₹ 1,000 million (“ Base Issue ”) with an option to retain oversubscription up to ₹ 19,000 million aggregating upto 20,000,000 NCDs amounting to ₹ 20,000 million (“ Tranche I Issue Limit ”) (“ Tranche I Issue ”) which is within the shelf limit of ₹ 40,000 million and is being offered by way of this Tranche I Prospectus dated October 22, 2020 containing, inter alia, the terms and conditions of this Tranche I Issue (“ Tranche I Prospectus ”), which should be read together with the Shelf Prospectus dated October 22, 2020 (“ Shelf Prospectus ”) filed with the Registrar of Companies, Kerala and Lakshadweep, the Stock Exchange and the SEBI.
Listing	BSE BSE shall be the Designated Stock Exchange for the Issue. The NCDs are proposed to be listed within 6 Working Days from the Tranche I Issue Closing Date.
Lock-in	N.A.
Mode of Allotment and Trading	NCDs will be issued and traded compulsorily in dematerialised form.
Mode of settlement	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 48 of this Tranche I Prospectus.
Trading Lot	One (1) NCD
Depositories	NSDL and CDSL
Security	Security for the purpose of this Issue and every Tranche Issue will be created in accordance with the terms of the Debenture Trust Deed. For further details please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 48 of this Tranche I Prospectus.
Who can apply/	Please refer to the section titled “ <i>Issue Procedure</i> ” beginning on page 68 of this Tranche I Prospectus.

**Eligible Investors
Credit Ratings**

Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated	Rating definition
ICRA	NCDs	"[ICRA] AA(Stable)"	September 26, 2020 and further revalidated by rating letter dated October 09, 2020	Secured NCDs for ₹ 40,000.00 million rated "[ICRA] AA (Stable)"	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
CRISIL	NCDs	"CRISIL AA/Positive"	September 22, 2020 and further revalidated by rating letter dated October 08, 2020	Secured NCDs for ₹ 40,000.00 million rated "CRISIL AA/Positive"	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

**Pay-in date
Record Date**

Please refer to pages 118 to 147 of this Tranche I Prospectus for rating letter and rationale for the above ratings. Please refer to the disclaimer clause of ICRA and CRISIL on page 12 under the chapter "General Information".

Application Date. The entire Application Amount is payable on Application.

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. 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 Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.

**All covenants of the
Issue (including side
letters, accelerated
payment clause, etc.)**

The applicable covenants to the Issue shall be based on the Shelf Prospectus, Tranche Prospectus and Debenture Trust Deed and have been indicated below:

The Company shall:

1. pay the principal and interest on the Secured NCDs;
2. create additional security, if the Debenture Trustee is of the opinion that during the subsistence of these presents, the security for the Secured NCDs has become inadequate on account of the margin requirements;
3. execute all documents and do all acts as the Debenture Trustee may require for exercising its rights and powers, including for creation or enforcement of security;
4. conduct its business with due efficiency and applicable technical, managerial and financial standards;
5. submit a half yearly report regarding the use of the proceeds of the Issue, accurate payment of the interest, as certified by the statutory auditors to the Debenture Trustee;
6. submit a valuation report, if required with respect to the security, or a revaluation report as applicable;
7. at the end of each Financial Year submit an annual credit rating. In case of any degradation, Company shall provide additional security;
8. keep proper books of account and make true entries of all dealings and transactions, in relation to the Security and the business of the Company and shall keep such books of account at its registered office;
9. provide to the Debenture Trustee such information relating to the business, property and affairs of the Company and the Debenture Trustee shall be entitled to nominate a firm of Chartered Accountant to examine the books of account, documents and property of the Company and to investigate the affairs of the Company;
10. permit the Debenture Trustee to enter into or upon and to view the state and condition of all the security and all expenses for the purpose of such inspection shall be covered by the Company;
11. forthwith give, notice in writing to the Debenture Trustee of all orders, directions, notice or commencement of any proceedings of any court/tribunal affecting or likely to affect the security;
12. to register the provisions relating to the security in compliance with the Companies Act;

13. maintain its corporate existence and shall maintain and comply with all now held or any other rights, licences, privileges or concessions acquired in the conduct of its business;
14. pay all stamp duty, taxes, charges and penalties as required;
15. comply with all Applicable Laws;
16. reimburse all sums paid or expenses incurred by the Debenture Trustee or Receiver or other person appointed by the Debenture Trustee;
17. inform the Debenture Trustee if the Company has notice of any application for winding up having been made or any statutory notice of winding up is given to the Company under the Companies Act, the Insolvency and Bankruptcy Code, 2016 or other legal process intended to be filed or initiated against the Company that is affecting title of the Company with respect to its properties;
18. inform the Debenture Trustee of the happening of any labour strikes, lockouts, shut-downs, fires or any event likely to have a substantial effect on the Company's profits or business and the reasons therefor;
19. inform the Debenture Trustee of any loss or damage, which the Company may suffer due to force majeure circumstances or act of God against which the Company may not have insured its properties;
20. submit its duly audited annual accounts, within 6 months from the close of its Financial Year and in case the statutory audit is not likely to be completed during this period, the Company shall get its accounts audited by an independent firm of chartered accountants and furnish the same to the Debenture Trustee;
21. submit its duly audited annual accounts, within 6 months from the close of its Financial Year and in case the statutory audit is not likely to be completed during this period, the Company shall get its accounts audited by an independent firm of chartered accountants and furnish the same to the Debenture Trustee;
22. furnish the following information to the Debenture Trustee:
 - (a) on a quarterly basis: (i) certificate from the director or managing director of the Company, certifying the amount of Security; and (ii) certificate from an independent chartered accountant certifying the amount of Security;
 - (b) on a half yearly basis, certificate from the statutory auditor of the Company giving the value of receivables/book debts including compliance with the covenants of the Offer Document/Information Memorandum in the manner as may be specified by SEBI from time to time;
 - (c) inform the Debenture Trustee of any change in its name, any change in the composition of its Board of Directors or change in the nature and conduct of its business prior to such change being effected; and
 - (d) inform the Debenture Trustee prior to declaration or distribution of dividend by the Company;
 - (e) any additional documents and information as specified in Regulation 56 of SEBI LODR Regulations, 2015, as amended from time to time.
23. maintain the security cover in respect of the outstanding Secured NCDs until all secured obligations in relation to the Secured NCDs are paid in full;
24. submit a quarterly report to the Debenture Trustee containing the following particulars:
 - (a) updated list of names and address of all Secured NCD Holders;
 - (b) details of interest due but unpaid and reasons for the same;
 - (c) the number and nature of grievances received from the Secured NCD Holders including those resolved by the Company and unresolved by the Company and reasons for the same; and
 - (d) statement that the assets of the Company available as security are sufficient to discharge the claims of the Secured NCD Holders as and when the same become due.
25. ensure that the Security of the Company is always sufficient to discharge the secured obligations and that such assets are free from any other encumbrances except the permitted security interest.

Negative Covenants

The Company shall not, without the prior written approval of the Debenture Trustee:

1. declare or pay any dividend to its shareholders during any financial year unless it has paid the instalment of principal amount and interest then due and payable on the Secured NCDs;
2. undertake any new project, diversification, modernisation or substantial expansion of any project unless it has paid the instalment of principal and interest then due and payable on the Secured NCDs;
3. create any subsidiary or permit any company to become its subsidiary unless it has paid the instalment of principal and interest then due and payable on the Secured NCDs;
4. undertake or permit any merger, consolidation, reorganisation, amalgamation, reconstruction, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction;
5. voluntarily suffers any act, which has a substantial effect on its business profits, production or sales;

Tranche I Issue Schedule* Objects of the Issue Details of the utilisation of Issue proceeds Coupon rate, coupon payment date and redemption premium/discount Step up/ Step down interest rates Interest type Interest reset process Tenor Coupon payment frequency Redemption date Redemption Amount Day count convention Working Days convention/Day count convention / Effect of holidays on payment	6. permit any act whereby the payment of any principal or interest on the Secured NCDs may be hindered or delayed; or 7. subordinate any rights under these Secured NCDs to any other series debentures or prefer any payments under series debentures. The Company shall not make material modification to the structure of the NCDs in terms of coupon, conversion, redemption, or otherwise without prior approvals and requirements as mentioned in Regulation 59 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. Apart from the Transaction Documents, no other documents have been executed for the issue. The Secured NCDs are not subject to any mandatory prepayment/ early redemption clause(s) except as a consequence of an event of default. Further, the terms of the Issue regarding interest, payment of interest, maturity and redemption are set out in the section titled "Issue Related Information" on page 43 of this Tranche I Prospectus. The Tranche I Issue shall be open from October 27, 2020 to November 20, 2020 with an option to close earlier and/or extend upto a period as may be determined by the NCD Committee. Please refer to the section titled " <i>Objects of the Issue</i> " on page 27 of this Tranche I Prospectus. Please refer to the section titled " <i>Objects of the Issue</i> " on page 27 of this Tranche I Prospectus. Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus. N.A. Fixed N.A. Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus. Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus. Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus. Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus. Actual/Actual All days excluding the second and the fourth Saturday of every month, Sundays and a public holiday in Kochi or Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to 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 Issue Closing Date to listing of the NCDs, Working Days shall be all trading days of stock exchanges excluding Sundays and bank holidays in Mumbai. Interest shall be computed on an actual/actual basis i.e. 365 days-a-year basis on the principal outstanding on the NCDs. However, if period from the Deemed Date Of Allotment / anniversary date of Allotment till one day prior to the next anniversary / redemption date includes February 29, interest shall be computed on 366 days a-year basis, on the principal outstanding on the NCDs. If the date of payment of interest or any date specified does not fall on a Working Day, then the succeeding Working Day will be considered as the effective date for such payment of interest, as the case may be (the " Effective Date "). Interest or other amounts, if any, will be paid on the Effective Date. For avoidance of doubt, in case of interest payment on Effective Date, interest for period between actual interest payment date and the Effective Date will be paid in normal course in next interest payment date cycle. Payment of interest will be subject to the deduction of tax as per Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date falls on a holiday, the maturity proceeds will be paid on the immediately previous Working Day along with the coupon/interest accrued on the NCDs until but excluding the date of such payment.
	Tranche I Issue Opening Date October 27, 2020
	Tranche I Issue Closing Date November 20, 2020
	Default interest rate In the event of any default in fulfillment of obligations by our Company under the Debenture Trust Deed(s), the default interest rate payable to the applicant shall be as prescribed under the Debenture Trust Deed(s).
	Put/Call Option N.A.
	Date/Price The date on which the Board or the duly authorised committee of the Board constituted by resolution of the Board dated May 16, 2018 approves the Allotment of the NCDs for each Tranche Issue. 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 (as specified for Tranche I Issue by way of this Tranche I Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment.
	Deemed Date of Allotment
	Transaction documents Draft Shelf Prospectus dated September 30, 2020, the Shelf Prospectus dated October 22, 2020, this Tranche I Prospectus, Application Form, Tripartite Agreements dated December 8, 2010 and letter of extension dated March 14, 2011 and August 25, 2006, between the Company, the Registrar and CDSL and NSDL, Engagement Letters dated September 30, 2020 appointing Edelweiss Financial Services Limited, JM Financial Limited and Equirus Capital Private

Conditions precedent and subsequent to the Issue Events of default (including manner of voting/conditions of joining Inter Creditor Agreement) Creation of recovery expense fund	Limited as the Lead Managers respectively, Engagement Letter dated October 14, 2020 appointing A. K. Capital Services Limited as the Lead Manager, Addendum Advertisement, Issue Agreement dated September 30, 2020 between our Company and the Lead Managers, Amendment to the Issue Agreement dated October 14, 2020, the Registrar Agreement dated September 30, 2020 with the Registrar to the Issue, Amendment to the Registrar Agreement dated October 14, 2020, the Public Issue Account Agreement dated October 15, 2020 with the Public Issue Account Bank and the Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated October 15, 2020 with the Lead Brokers and Lead Managers, the Debenture Trustee Agreement dated September 30, 2020 executed between our Company and the Debenture Trustee and the Debenture Trust Deed to be executed between our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Issue and to protect the interest of NCD Holders under the Issue.
	The conditions precedent and subsequent to disbursement will be finalised upon execution of the Debenture Trust Deed.
	Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 66 of this Tranche I Prospectus.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	The Company undertakes to create a recovery expense fund in the manner as may be specified by SEBI from time to time and inform the Debenture Trustee regarding the creation of such fund.
	The recovery expense fund may be utilised by Debenture Trustee, in the event of default by the Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the Shelf Prospectus, this Tranche I Prospectus and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy (in which case no notice shall be required), such default continues for thirty days after written notice has been given thereof by the Debenture Trustee to the Company requiring the same to be remedied, it shall constitute an event of default.
Cross Default Roles and responsibilities of the Debenture Trustee	The Debenture Trustee may, at any time, waive, on such terms and conditions as to it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof.
	Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 66 of this Tranche I Prospectus.
	Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 66 of this Tranche I Prospectus.
Risk factors pertaining to the Issue Governing law and jurisdiction	Please refer to the section titled “ <i>Issue Structure-Trustees for the Secured NCD Holders</i> ” on page 65 of this Tranche I Prospectus respectively.
	Please refer to the section titled “ <i>Risk Factors</i> ” on page 11 of the Shelf Prospectus.
	This Tranche I Issue shall be governed in accordance with the laws of the Republic of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai.

In terms of Regulation 4(2)(d) of the SEBI Debt Regulations, the Company will make public issue of NCDs in the dematerialised form. However, in terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the NCDs post allotment in physical form, will fulfill such request through the process of rematerialisation.

* The subscription list shall remain open for subscription on Working Days from 10 A.M. to 5 P.M., during the period indicated above, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Committee. In the event of such an early closure of or extension of subscription list of the Tranche I Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or extended date of closure. Application 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 BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 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.

While the Secured NCDs will be secured to the tune of 100% of the principal and interest amount or as per the terms of the Shelf Prospectus and this Tranche I Prospectus in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained. However, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

The specific terms of each instrument to be issued pursuant to this Tranche I Issue is as set out in this Tranche I Prospectus.

Please see pages 70, 69 and 85 of this Tranche I Prospectus under sections “*Issue Procedure – How to apply*” “*Issue Procedure – Who can apply*” and “*Issue Procedure – Basis of allotment*”, respectively for details of category wise eligibility and allotment in the Issue.

The specific terms of each instrument are set out below:

Terms and conditions in connection with Secured NCDs **** Options	I	II	III	IV	V	VI
Frequency of Interest Payment	Monthly *	Monthly *	Annually **	Annually **	NA	NA
Who can apply <i>Category I- Institutional</i> <i>Category II- Non-institutional</i> <i>Category III- High Net Worth Individual</i> <i>Category IV- Retail Individual</i>	All categories of investors (Category I, II, III & IV)					
Minimum Application	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)
In multiples of	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)
Face Value of NCDs (₹ / NCD)	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Issue Price (₹ / NCD)	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Tenor from Deemed Date of Allotment	38months	60 months	38months	60 months	38months	60 months
Base Coupon Rate (% per annum) (A) <i>Category I- Institutional</i> <i>Category II- Non Institutional</i> <i>Category III-High Net Woth Individual</i> <i>Category IV-Retail Individual</i>	7.15%	7.50%	7.40%	7.75%	NA	NA
Additional incentive on Base Coupon Rate (% per annum) on any Record Date as applicable to Category III and Category IV investors (B) ***** <i>Category III- High Net Worth Individual</i> <i>Category IV- Retail Individual</i>	0.25%	0.25%	0.25%	0.25%	NA	NA
Coupon Rate (Aggregate of the Base Coupon Rate and the additional incentive on the Base Coupon Rate on any Record Date as applicable to Category III and Category IV investors {(A) + (B)})						

Category I- Institutional	7.15%	7.50%	7.40%	7.75%	NA	NA
Category II- Non Institutional	7.15%	7.50%	7.40%	7.75%	NA	NA
Category III- High Net Worth Individual	7.40%	7.75%	7.65%	8.00%	NA	NA
Category IV- Retail Individual	7.40%	7.75%	7.65%	8.00%	NA	NA
Effective Yield (Per annum)*****						
Category I- Institutional	7.15%	7.50%	7.40%	7.75%	7.40%	7.75%
Category II- Non Institutional	7.15%	7.50%	7.40%	7.75%	7.40%	7.75%
Category III- High Net Worth Individual	7.40%	7.75%	7.65%	8.00%	7.65%	8.00%
Category IV- Retail Individual	7.40%	7.75%	7.65%	8.00%	7.65%	8.00%
Mode of Payment	Through various options available					
Amount (/ NCD) on Maturity***						
Category I- Institutional	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,254.11	₹ 1,452.40
Category II- Non Institutional	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,254.11	₹ 1,452.40
Category III- High Net Worth Individual	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,263.41	₹ 1,469.33
Category IV- Retail Individual	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,263.41	₹ 1,469.33
Maturity Date (From Deemed Date of Allotment)	38months	60 months	38months	60 months	38months	60 months
Nature of indebtedness	Secured and non-convertible					

* With respect to Options where interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such NCDs, and paid on the first day of every subsequent month. For the first interest payment for NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.

** 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 A 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.

***** On Options I and II, monthly interest payment is not assumed to be reinvested for the purpose of calculation of Effective Yield (per annum).

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

*****As regards the payment of additional incentive, such additional incentive shall be payable to only such NCD Holders who shall be individuals as on the Record Date.

OBJECTS OF THE ISSUE

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

Issue proceeds

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

Particulars	Estimated amount (in ₹ million)
Gross proceeds to be raised through Tranche I Issue	20,000
Less: - Tranche I Issue related expenses	200
Net proceeds of the Tranche I Issue after deducting the Tranche Issue related expenses	19,800

The Net Proceeds raised through the Tranche I Issue will be utilised for following activities in the ratio provided as below:

- For the purpose of lending- minimum of 75% of the amount raised and allotted in the Issue
- For General Corporate Purposes- shall not exceed 25% of the amount raised and allotted in the Issue

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

Issue Related Expenses

The expenses for the Tranche I Issue include, inter alia, lead management fees and selling commission to the lead managers, lead-brokers, fees payable to debenture trustees, underwriters, 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 breakdown of the total expenses for the Tranche I Issue is as follows:

Activity	Expenses
Fees to intermediaries (Lead Management Fee, brokerage, rating agency, registrar, legal advisors, Debenture Trustees etc.)	150
Advertising and Marketing Expenses	30
Printing and Stationery	20
Total	200

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.

Purpose for which there is a requirement of funds

As stated in this section.

Funding plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Monitoring of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of SEBI Debt Regulations. The Board of Directors of our Company shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in the Company's financial statements for the relevant financial year, the utilisation of the 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 utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue.

Interim use of proceeds

The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Issue. Pending utilisation of the proceeds out of the Tranche I Issue for the purposes described above, the 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 / Committee of Directors of the Company, as the case may be. Such investment would be in accordance with the investment policy of our Company approved by the Board or any committee thereof from time to time and the same shall be disclosed in the balance sheet as per the provisions of the Companies Act, 2013.

Other confirmations

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

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

No part of the proceeds from this Issue will be paid by us as consideration to our Promoter, our Directors, Key Managerial Personnel, or companies promoted by our Promoter except in the usual course of business.

No part of the proceeds from this Issue will be utilized for buying, trading or otherwise dealing in equity shares of any other listed company.

Further the Company undertakes that Issue proceeds from NCDs allotted to banks shall not be used 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.

The Company confirms that it will not use the proceeds of the Issue for the purchase of any business or in the purchase of any interest in any business whereby the 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.

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 Tranche I Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised.
- (c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such 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(s) 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 Exchange and on receipt of the minimum subscription of 75% of the Base Issue, i.e. ₹ 750 million.
- (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.

**STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS
UNDER THE APPLICABLE LAWS IN INDIA**

To,

The Board of Directors
Muthoot Finance Limited
2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Banerji Road, Kochi 682 018
Kerala, India

Dear Sir(s),

We hereby report that the enclosed statement in **Annexure A**, states the possible tax benefits available to the debenture holders of Muthoot Finance Limited (the Company) pursuant to the issue under the Income Tax Act, 1961 presently in force in India.

Several of these tax benefits/consequences are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the debenture holders to derive the tax benefits is dependent upon fulfilment of such conditions based on business imperatives it faces in the future it may or may not choose to fulfil.

The preparation of the contents in the enclosed annexure is the responsibility of the Company's management. The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. We are informed that the enclosed annexure 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 tax consequences and changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

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

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

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

The enclosed annexure is intended solely for your information and for inclusion in the Shelf Prospectus/Tranche Prospectus in connection with the proposed issue of non-convertible debentures and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Varma & Varma
(FRN:004532S)

Sd/-
Vijay Narayan Govind
Partner
Chartered Accountants
Membership No:203094

UDIN: 20203094AAAABP7197
Place: Kochi
Date: October 19, 2020

Annexure A

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

The following tax benefits will be available to the debenture holders as per the existing provisions of law. 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 Debenture Holder is advised to consider 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.

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

I. To the Resident Debenture Holder ("Resident" as defined under Section 6 of the IT Act)

1. Interest on NCD received by Debenture Holders would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act
2. As per Section 2(29A) of the IT 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.

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

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

However as per the fourth proviso to Section 48 of 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 issued by the Government and the Sovereign Gold Bond issued by the Reserve Bank of India under the Sovereign Gold Bond Scheme, 2015. Thus, long term capital gains arising out of debentures 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 the case of debentures.

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

3. Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. The provisions relating to maximum amount not chargeable to tax would apply to such short term capital gains.
4. In case the debentures are held as stock in trade, by the Debenture holder 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. However, there is an exposure that the Indian Revenue Authorities (especially at lower level) may seek to challenge the said characterisation 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.

5. 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.
6. Income tax is deductible at source on interest on debentures, at the time of credit/payment to the resident debenture holder as per the provisions of Section 193 of the I.T. Act. As per Section 197B of The IT Act, the TDS rate under Section 193 of the IT Act is reduced from 10% to 7.5% for the period May 14, 2020 to March 31, 2021.

However, no income tax is deductible at source in respect of any security issued by a company in a dematerialized form and is listed on recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder. Further, no income tax is deductible at source in case the payment of interest on debentures by the Company in which the public are substantially interested is to a resident individual or a Hindu Undivided Family ('HUF') Debenture Holder and does not or is not likely to exceed Rs 5,000 in the aggregate during the Financial year and the interest is paid by an account payee cheque.

7. 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. As per Section 197B of the IT Act, the TDS rate under Section 194A of the IT Act is reduced from 10% to 7.5% for the period May 14, 2020 to March 31, 2021.
8. In case where tax has to be deducted at source while paying debenture interest, the Company is not required to deduct surcharge, education cess and secondary and higher education cess
9. Income tax is required to be deducted at source at lower rate/ Nil rate in respect the following:
 - a) 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.
 - b)
 - i. When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of Section 197A(1A) of the I.T. Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However under Section 197A(1B) of the I.T. Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in Section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax.
 - 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 the estimated total income of the previous year concerned will be 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.

II. To the Non Resident Debenture Holder.

1. A non-resident Indian has an option to be governed by Chapter XII-A of the I.T. Act, subject to the provisions contained therein which are given in brief as under:
 - a) As per Section 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) As per Section 115F of the I.T. Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in Section 10(4B) of the I.T. Act in accordance with and subject to the provisions contained therein. However, if the new assets are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the new assets are transferred or converted into money.
 - c) As per Section 115G of the I.T. Act, it shall not be necessary for a non-resident Indian to file a return of income under Section 139(1) of the I.T. Act, if his total income consists only of investment income as defined under Section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the I.T. Act in accordance with and subject to the provisions contained therein.
 - d) As per 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.
 - e) 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,
 - i. Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.
 - ii. Investment income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act
 - iii. Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.

2. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is 20% on investment income and 10% on any long-term capital gains as per Section 115E, and 30% for Short Term Capital Gains if the payee Debenture Holder is a Non Resident Indian.
3. Section 194LC 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 a non resident, not being a company or to a Foreign company in respect of monies borrowed by it from a source outside India by way of issue of rupee denominated bond of an Indian company before July 1, 2023 provided such rate does not exceed the rate as may be notified by the Government. In addition to that, applicable surcharge and cess will also be deducted.
4. As per Section 74 of the I.T. Act, short-term capital loss suffered during the year is allowed to be setoff against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered (other than the long-term capital assets whose gains are exempt under Section 10(38) of the I.T. Act) during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.
5. Interest on application money and interest on refund application would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 195 of the I.T. Act.
6. The income tax deducted shall be increased by surcharge as under:
 - a) In the case of non-resident 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 Rs. 50,00,000 and does not exceed Rs 1,00,00,000; at the rate of 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 Rs. 1,00,00,000 and does not exceed Rs 2,00,00,000; at the rate of 25 % of such tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction (excluding the income of the nature referred to in clause (b) of sub-section (1) of section 115AD) exceeds Rs. 2,00,00,000 and does not exceed Rs 5,00,00,000 and at the rate of 37 % of such tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction (excluding the income of the nature referred to in clause (b) of sub-section (1) of section 115AD) exceeds Rs. 5,00,00,000
 - b) In case of foreign companies, where the income paid or likely to be paid exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000 a surcharge of 2% of such tax liability is payable and when such income paid or likely to be paid exceeds Rs. 10,00,00,000, surcharge at 5% of such tax is payable.
 - c) Further, 4% health and education cess on the total income tax (including surcharge) is also deductible.
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, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate (TRC), is a mandatory condition for availing benefits under any DTAA. If the tax residency certificate does not contain the prescribed particulars as per CBDT Notification 57/2013 dated August 1, 2013, a self-declaration in Form 10F would need to be provided by the assessee along with TRC
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(2) and 195(3) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.

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 characterisation 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.

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

1. As per Section 2(14) of the I.T. Act, any securities held by FIIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.
2. In accordance with and subject to the provisions of Section 115AD of the I.T. Act, long term capital gains exceeding Rs 1 lakh on transfer of debentures by FIIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of Section 48 of the I.T. Act will not apply.
3. Interest on NCD may be eligible for concessional tax rate of 5 % (plus applicable surcharge and health and education cess) under section 194LD or 194LC of the IT Act. Further, in case where section 194LD or 194LC is not applicable, the interest income earned by FIIs/FPIs should be chargeable tax at the rate of 20% under section 115AD of the IT Act
4. 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 and Qualified Foreign Investor in respect of rupee denominated bond of an Indian company between June 1, 2013 and July 1, 2023 provided such rate does not exceed the rate as may be notified by the Government. In addition to that, applicable surcharge and cess will also be deducted.
5. In accordance with and subject to the provisions of Section 196D(2) of the I.T. Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs.
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 Mutual Funds

All mutual funds registered under Securities and Exchange Board of India or set up by public sector banks or public financial institutions or authorised 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 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. To Specified Funds (“Specified Fund” as defined under Section 10(4D) of the IT Act)

The income of Specified Fund is taxable for the year beginning April 1, 2020, to the extent attributable to units held by non resident (not being a permanent establishment of a non-resident in India)), and in accordance with and subject to the provisions of Section 115AD of the I.T. Act, as under:

- a) the interest income earned are chargeable to tax at the rate of 10%

- b) long term capital gains exceeding Rs 1 lakh on transfer of debentures to the specified extent are taxable at 10% (benefit of provisions of the first proviso of Section 48 of the I.T. Act will not apply) ; and
- c) short-term capital gains are taxable at 30%

Further, where any income in respect of NCD is payable to Specified Funds, tax shall be deducted at the rate of 10% on the income other than exempt under section 10(4D) with effect from November 1, 2020 as per Section 196D of the IT Act.

VI. General Anti-Avoidance Rule ('GAAR')

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

VII. 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 residential house within three years from the date of transfer subject to conditions. 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 conditions stated therein.

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.206AA:

- (a) Section 206AA of the I.T. Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB ('deductee') to furnish his PAN to the deductor, failing which attracts tax shall be deducted at the higher of the following rates:
 - (i) at the rate specified in the relevant provision of the I.T. Act; or
 - (ii) at the rate or rates in force; or
 - (iii) at the rate of twenty per cent.
- (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.
- (d) As per Rule 37BC, the higher rate under section 206AA shall not apply to a non resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident deductee furnishes the prescribed details inter alia TRC and Tax Identification Number (TIN).

IX. Taxability of Gifts received for nil or inadequate consideration

As per section 56(2)(x) of the I.T. Act, where an Individual or Hindu Undivided Family receives debentures from any person on or after April 1, 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 computed in the manner prescribed by law 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 on section 56(2)(x) of the I.T. Act.

Notes forming part of statement of tax benefits

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 2021-22.
4. This statement is intended only to provide general information to the Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each Debenture Holder is advised to consult his/her/its own tax advisor with respect to specific tax consequences of his/her/its holding in the debentures of the Company.
5. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to Chapter X and Chapter XA of the Act.
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 tax law.
9. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

The Reformatted Financial Information as at and for the year ended March 31, 2017 and 2016 of the Issuer included in the Shelf Prospectus are presented in accordance with Indian GAAP, which differs from Indian Accounting Standards (“**IndAS**”) in certain respects. The Ministry of Corporate Affairs (“**MCA**”), in its press release dated January 18, 2016, issued a roadmap for implementation of IndAS converged with IFRS for non-banking financial companies, scheduled commercial banks, insurers, and insurance companies, which was subsequently confirmed by the RBI through its circular dated February 11, 2016. The notification further explains that NBFCs having a net worth of ₹ 50,000 lakh or more as of March 31, 2016, shall comply with IndAS for accounting periods beginning on or after April 1, 2018, with comparatives for the periods ending on March 31, 2018. Therefore, the Issuer has adopted Indian Accounting Standards with transition date as April 1, 2017.

“*Summary of Significant Differences among Indian GAAP and IndAS*”, does not present all differences between Indian GAAP and IndAS. Consequently, there can be no assurance that those are the only differences in the accounting principles that could have a significant impact on the financial information included in this Tranche I Prospectus. The impact of differences on issuers financial statements as at April 1, 2017 and March 31, 2018 are disclosed in the note on First time adoption included in the Reformatted Financial Information under Ind AS. The Issuer has made no attempt to identify any future differences between Indian GAAP and IndAS which may result from prospective changes in accounting standards. In making an investment decision, investors must rely upon their own examination of the Issuer’s business, the terms of the offerings and the financial information under Indian GAAP included in this Tranche I Prospectus. Potential investors should consult with their own professional advisors for a more thorough understanding of the differences between Indian GAAP and IndAS and how those differences might affect the financial information included in this Tranche I Prospectus. The Issuer cannot assure that it has completed a comprehensive analysis of the effect of IndAS on future financial information or that the application of IndAS will not result in a materially adverse effect on the Issuer’s future financial information.

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
1.	Presentation of Financial Statements	<p><u>Other Comprehensive Income:</u> There is no concept of ‘Other Comprehensive Income’ under Indian GAAP.</p>	<p><u>Other Comprehensive Income:</u> Ind AS 1 introduces the concept of Other Comprehensive Income (“OCI”). Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other Ind AS. Such recognition of income and expenses in OCI is primarily governed by the income recognition norms and classification of financial instruments and assets as “Fair Value through OCI</p>
		<p><u>Extraordinary items:</u> Under Indian GAAP, extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period.</p> <p>Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.</p>	<p><u>Extraordinary items:</u> Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited.</p>
		<u>Change in Accounting Policies:</u>	<u>Change in Accounting Policies:</u>

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
		<p>Indian GAAP requires changes in accounting policies to be presented in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material.</p> <p>If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed.</p>	<p>Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.</p>
2.	Deferred Taxes	<p>Under Indian GAAP, the Company determines deferred tax to be recognized in the financial statements with reference to the income statement approach i.e. with reference to the timing differences between profit offered for income taxes and profit as per the financial statements.</p>	<p>As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/liabilities and their respective tax base.</p> <p>Using the balance sheet approach, there could be additional deferred tax charge/income on account of all Ind AS opening balance sheet adjustments</p>
3.	Property, plant and equipment – reviewing depreciation and residual value	<p>Under Indian GAAP, the Company currently provides depreciation on straight line method over the useful lives of the assets estimated by the Management.</p>	<p>Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively.</p> <p>Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost under Ind AS</p>
4.	Accounting for Employee benefits	<p>Currently, all actuarial gains and losses are recognized immediately in the statement of profit and loss.</p>	<p>Under Ind AS 19, the change in liability is split into changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and re-measurements.</p> <p>Changes due to service cost and net interest cost/ income need to be recognized in the income statement and the changes arising out of re-measurements comprising of actuarial gains and losses representing changes in the present value of the defined</p>

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
			benefit obligation resulting from experience adjustment and effects of changes in actuarial assumptions are to be recognized directly in OCI.
5.	Provisions, contingent liabilities and contingent assets	Under Indian GAAP, provisions are recognised only under a legal obligation. Also, discounting of provisions to present value is not permitted	Under IND AS, provisions are recognised for legal as well as constructive obligations. IND AS requires discounting the provisions to present value, if the effect of time value of money is material
6.	Share based payments	Under Indian GAAP, company has an option to account for share based payments on the basis of intrinsic value or fair value. The company followed the intrinsic value method and gave a disclosure for the fair valuation.	Under Ind AS, the share based payments have to be mandatorily accounted basis the fair value and the same has to be recorded in the Statement of Profit or Loss over the vesting period. The fair valuation of the unvested options as on the transition date have to be adjusted against retained earnings
7.	Presentation and classification of Financial Instruments and subsequent measurement	<p>Currently, under Indian GAAP, the financial assets and financial liabilities are recognised at the transaction value. The Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any permanent diminution in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value.</p> <p>Financial liabilities are carried at their transaction values. Disclosures under Indian GAAP are limited.</p> <p>Currently under Indian GAAP, loan processing fees and/or fees of similar nature are recognized upfront in the Statement of Profit and Loss.</p>	<p>Ind AS 109 requires all financial assets and financial liabilities to be recognised on initial recognition at fair value. Financial assets have to be either classified as measured at amortized cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognized entirely in profit or loss, (FVTPL), or recognized in other comprehensive income (FVOCI). Financial assets include equity and debts investments, security receipts, interest free deposits, loans, trade receivables etc. Assets classified at amortized cost and FVOCI and the related revenue (including interest subsidy, processing fees and fees of similar nature) net of related costs have to be measured using the Effective Interest Rate (EIR) method.</p> <p>Loan processing fees and/or fees of similar nature would be measured and recognised using the Effective Interest Rate (EIR) method over the period of loan.</p> <p>There are two measurement categories for financial liabilities – FVTPL and amortized cost. Liabilities classified at amortized cost and the related expenses (processing cost & fees) have to be measured using the Effective Interest Rate (EIR) method.</p>

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
			Fair value adjustment on transition shall be adjusted against opening retained earnings on the date of transition. Disclosures under Ind AS are extensive
8.	Financial Instruments - Impairment	Under Indian GAAP, the Company assesses the provision for doubtful debts at each reporting period, which in practice, is based on relevant information like past experience, financial position of the debtor, cash flows of the debtor, guidelines issued by the regulator etc.	The impairment model in Ind AS is based on expected credit losses and it applies equally to debt instruments measured at amortised cost or FVOCI, financing receivables, lease receivables, trade receivables and certain written loan commitments and financial guarantee contracts.
9.	Segment Reporting	Under Indian GAAP there is a requirement to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments.	Operating segments are identified based on the financial information that is regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance.
10.	Financial Instruments - Disclosure	Currently there are no detailed disclosure requirements for financial instruments. However, the ICAI has issued an Announcement in December 2005 requiring the following disclosures to be made in respect of derivative instruments in the financial statements: <ul style="list-style-type: none"> • Category-wise quantitative data about derivative instruments that are outstanding at the balance sheet date; • The purpose, viz., hedging or speculation, for which such derivative instruments have been acquired; and • The foreign currency exposures that are not hedged by a derivative instrument or otherwise. 	Requires disclosure of information about the nature and extent of risks arising from financial instruments: <ul style="list-style-type: none"> • qualitative disclosures about exposures to each type of risk and how those risks are managed; and • quantitative disclosures about exposures to each type of risk, separately for credit risk, liquidity risk and market risk (including sensitivity analysis).

MATERIAL DEVELOPMENTS

There are no material developments between the filing of the Shelf Prospectus and this Tranche I Prospectus.

SECTION III: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

Authority for the Issue

At the meeting of the Board of Directors of our Company, held on February 14, 2020, the Directors approved the issuance to the public of secured redeemable non-convertible debentures of face value ₹ 1,000 each and unsecured redeemable non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 60,000 million.

The issue of Secured NCDs of face value of ₹ 1,000.00 each for an amount upto ₹ 40,000 million (“**Shelf Limit**”) in one or more tranches, hereinafter called the “**Issue**” is approved by NCD Committee meeting dated September 30, 2020.

The present Tranche I Issue through this Tranche I Prospectus of Secured NCDs with a Base Issue size of ₹ 1,000 million, with an option to retain oversubscription up to an amount of ₹ 19,000 million, aggregating up to ₹ 20,000 million, was approved by the NCD Committee at its meeting dated October 22, 2020.

Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders’ vide their resolution dated September 30, 2020.

Principal terms and conditions of this Tranche I Issue

The NCDs being offered as part of the Tranche I Issue are subject to the provisions of the SEBI Debt Regulations and the relevant provisions of the Companies Act, 2013, as on the date of this Tranche I Prospectus, our Memorandum and Articles of Association, the terms of this Tranche I Prospectus, the Shelf Prospectus, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/ the GoI/ Stock Exchanges/ 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 the Secured NCDs

The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of a first pari passu charge on current assets, book debts, loans and advances, and receivables including gold loan receivables, both present and future. The Secured NCDs proposed to be issued under the 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. The Company is required to obtain permissions / consents from the prior creditors in favour of the debenture trustee for creation of such pari passu charge. The Company had applied to the prior creditors for such permissions / consents and has obtained all permissions / consents from such creditors thereby enabling it to undertake the Issue.

Investment in relation to maturing debentures

Section 71 of the Companies Act, 2013, read with Rule 18 made under Chapter IV of the Companies Act, 2013, requires that any listed company that intends to issue debentures to the public must, on or before the 30th day of April of each year, in respect of such publicly issued debentures, invest an amount not less than 15% of the amount of the debentures maturing during the financial year which is ending on the 31st day of March of the next year, in any one or more of the following methods: (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 under section 20 of the Indian Trusts Act, 1882; or (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. Such invested amount shall not be used for any purpose other than for redemption for debentures maturing during the financial year which is ending on the 31st day of March of the next year. Further, the invested amount shall not, at any time, fall below 15% of the amount of the debentures maturing in such financial year.

Face Value

The face value of each of the Secured NCDs shall be ₹ 1,000.00.

NCD Holder not a shareholder

The NCD Holders will not be entitled to any of the rights and privileges available to the equity and/or preference shareholders of our Company, except to the extent as may be prescribed under the Companies Act, 2013, the SEBI LODR Regulations and any other applicable law.

Rights of the 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 to the extent applicable as on the date of this Tranche I Prospectus, confer upon the Secured NCD Holders thereof any rights or privileges available to our members including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the Secured NCDs is to be placed before the members, the said resolution will first be placed before the concerned registered Secured NCD Holders for their consideration. In terms of section 136 of the Companies Act, the Secured NCD Holders shall be entitled to inspect a copy of the balance sheet and copy of trust deed at the registered office of the Company during business hours.
2. Subject to applicable statutory/ regulatory requirements, 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. In case of Secured NCDs held in (i) dematerialised form, the person for the time being appearing in the register of beneficial owners of the Depository; and (ii) physical form, 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 Secured NCDs, either in person or by proxy, at any meeting of the concerned Secured NCD Holders and every such Secured NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the 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, applicable provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this Tranche I Prospectus, the Shelf Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of 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 Secured NCDs in physical form, a register of debenture holders will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the Secured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. 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 of beneficial owners 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 debenture holders for this purpose. The same shall be maintained at the Registered Office of the Issuer under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD holders as given thereunder.
6. Subject to compliance with RBI requirements, Secured NCDs can be rolled over only with the consent of the Secured NCD Holders of at least 75% of the outstanding amount of the Secured NCDs after providing 15 days

prior notice for such roll over and in accordance with the SEBI Debt Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

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

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, i.e., INR 750 Million. If our Company does not receive the minimum subscription of 75% of the Base Issue within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within the timelines prescribed under Applicable Law. In the event, there is a delay, by our Company in making the aforesaid refund within the prescribed time limit, our Company will pay interest at the rate of 15% 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 circular (bearing CIR/IMD/DF-1/20/2012) dated July 27, 2012.

Market Lot and Trading Lot

The NCDs shall be allotted only in dematerialized form. As per the SEBI Debt Regulations, the trading of the NCDs shall be in dematerialised form only. Since trading of the NCDs is in dematerialised form, the tradable lot is one NCD.

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

Allotment in the Tranche I Issue will be in electronic form in multiples of one NCD. For details of Allotment see the section titled “*Issue Procedure*” at page 68 of this Tranche I Prospectus.

Nomination facility to NCD Holders

In accordance with Section 72 of the Companies Act, 2013, the sole NCD Holder or first NCD Holder, along with other joint NCD Holders (being individual(s)) may nominate any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the NCDs. A person, being a nominee, becoming entitled to the NCDs by reason of the death of the NCD Holder(s), shall be entitled to the same rights to which he would be entitled if he were the registered holder of the NCD. Where the nominee is a minor, the NCD Holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the NCDs, in the event of the NCD Holder's death, during the minority of the nominee. A nomination shall stand rescinded upon sale of the NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nominations can be made only in the prescribed form available on request at our Registered/ Corporate Office, at such other addresses as may be notified by us, or at the office of the Registrar to the Issue or the transfer agent..

NCD Holders are advised to provide the specimen signature of the nominee to us to expedite the transmission of the NCDs to the nominee in the event of demise of the NCD Holders. 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 the Section 72 read with Rules under Chapter IV of Companies Act, 2013, any person who becomes a nominee by virtue of the above said Section, shall upon the production of such evidence as may be required by our Board, elect either:

- (a) To register himself or herself as the holder of the NCDs; or
- (b) To make such transfer of the NCDs, as the deceased holder could have done.

NCD Holders who are holding NCDs in dematerialised form need not make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the NCD Holder will prevail. If the NCD Holders require to changing their nominations, they are requested to inform their respective Depository Participant.

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.

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

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

Since the allotment of Secured 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.

Succession

Where NCDs are held in joint names and one of the joint NCD 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 NCDs. In the event of demise of the sole or first holder of the NCDs, 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 NCDs 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. Our Directors, the Board, any committee of the Board or any other person authorised by the Board in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation. In case of death of NCD Holders who are holding NCDs in dematerialised form, third person is not required to approach the Company to register his name as successor of the deceased NCD holder. He shall approach the respective Depository Participant of the NCD Holder for this purpose and submit necessary documents as required by the Depository Participant. 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.

Jurisdiction

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

Tranche I Issue programme

ISSUE OPENS ON	October 27, 2020
ISSUE CLOSES ON	November 20, 2020

The subscription list shall remain open for subscription on Working Days from 10 A.M. to 5 P.M., during the period indicated in this Tranche I Prospectus, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Committee. In the event of such an early closure of or extension of 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 national daily newspaper with wide circulation on or before such earlier date or extended date of closure.

Application 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 BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 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.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchange on the Tranche I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche I Issue Closing Date and, not later than 3.00 p.m. (Indian Standard Time) on the Tranche I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Tranche I Issue. Application Forms will only be accepted on Working Days during the Tranche I Issue Period. Neither our Company, nor the Members of the Syndicate are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. As per the SEBI circular dated October 29, 2013, the allotment in the Tranche I Issue should be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

Restriction on transfer of NCDs

There are currently no restrictions on transfers and transmission of NCDs and on their consolidation/ splitting except as may be required under applicable statutory and/or regulatory requirements including any RBI requirements and/or as provided in our Articles of Association. Please see the section titled “*Summary of the Key Provisions of the Articles of Association*” at page 254 of the Shelf Prospectus.

ISSUE STRUCTURE

Public issue by our Company of Secured NCDs of face value of ₹ 1,000.00 each, for an amount up to ₹ 40,000.00 million (“**Shelf Limit**”). The Tranche I Issue is with a Base Issue size of ₹ 1,000 million with an option to retain oversubscription upto an amount of ₹ 19,000 million, aggregating up to ₹ 20,000 million (“**Tranche I Issue Limit**”)

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

Particulars	Terms and Conditions
Minimum Application Size	₹ 10,000
Mode of allotment	Compulsorily in dematerialised form.
Terms of Payment	Full amount on application
Trading Lot	1 (one) NCD
Who can apply	

Category I

- Public financial institutions, statutory corporations, commercial banks, co-operative banks and RRBs and multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds, pension funds, with a minimum corpus of Rs 25 crores superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance Companies registered with 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 five hundred crore rupees as per the last audited financial statements
- National Investment Fund set up by resolution no. F. No. 2/3/2005 –DDII dated November 23,2005 of the Government of India published in the Gazette of India; and
- Mutual Funds registered with SEBI.

Category II

- Companies; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- 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

- High Net-worth Individual Investors ("HNIs") - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above INR 1,000,000 across all options of NCDs in the Issue

Category IV

- Retail Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including INR 1,000,000 across all options of NCDs in the Issue

* In terms of Regulation 4(2)(d) of the SEBI Debt Regulations, the Company will make public issue of NCDs in the dematerialised form. However, in terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the NCDs post

allotment in physical form, will fulfill such request through the process of rematerialisation.

Participation by any of the above-mentioned investor classes in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of Secured 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.

For further details, please see “*Issue Procedure*” on page 68 of this Tranche I Prospectus.

TERMS AND CONDITIONS IN CONNECTION WITH THE NCDs

Common Terms of NCDs

Issuer	Muthoot Finance Limited
Lead Managers	Edelweiss Financial Services Limited, JM Financial Limited, Equirus Capital Private Limited and A. K. Capital Services Limited.
Debenture Trustee	IDBI Trusteeship Services Limited
Registrar to the Issue	Link Intime India Private Limited
Type and nature of instrument	Secured, redeemable non-convertible debentures of face value ₹ 1,000 each
Base Issue	₹ 1,000 million
Option to retain Oversubscription Amount	₹ 19,000million.
Tranche I Issue Size	₹ 20,000 million
Shelf Limit	₹ 40,000 million
Face Value (in ₹ / NCD)	₹ 1,000
Issue Price (in ₹ / NCD)	₹ 1,000
Minimum application	₹ 10,000 (10 NCDs) (for all options of NCDs, namely Option I, Option II, Option III, Option IV, Option V and Option VI).
In multiples of Seniority	₹ 1,000.00 (1 NCD)
	Senior (to clarify, 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 would constitute secured obligations of ours and shall rank pari passu inter se, present and future 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 first <i>pari passu</i> charge on current assets, book debts, loans and advances, and receivables including gold loan receivables, both present and future, of our Company, by way of hypothecation. The issuer shall create and maintain security for the Secured NCDs in favour of the Debenture Trustee for the Secured NCD Holders on the book value of the above assets as appearing in the balance sheet from time to time to the extent of 100% of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. The Company is required to obtain permissions / consents from the prior creditors having corresponding assets as Security, in favour of the Debenture Trustee, for creation of such pari passu charge. The Company had applied to the prior creditors for such permissions / consents and has obtained all permissions / consents from such creditors thereby enabling it to undertake the Issue.
	At the request of the Company, the Debenture Trustee may release/ exclude a part of the assets mentioned above from the security so created for the Secured NCDs, subject to the Company maintaining the security cover as mentioned above and subject to such other terms and conditions as may be stipulated by the Debenture Trustee. The Company shall carry out subsequent valuation of the assets mentioned above, at the request of the Debenture Trustee, at the Company's cost.
Mode of Issue	Public Issue
Issue	Public issue by our Company of Secured NCDs of face value of ₹ 1,000.00 each, for an amount up to ₹ 40,000 million (“ Shelf Limit ”), hereinafter referred to as the “ Issue ”. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue (each a “ Tranche Issue ”)
Tranche I Issue	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each (“ NCDs ”) for an amount of ₹ 1,000 million (“ Base Issue ”) with an option to retain oversubscription up to ₹ 19,000 million aggregating upto 20,000,000 NCDs amounting to ₹ 20,000 million (“ Tranche I Issue Limit ”) (“ Tranche I Issue ”) which is within the shelf limit of ₹ 40,000 million and is being offered by way of this Tranche I Prospectus dated October 22, 2020 containing, inter alia, the terms and conditions of this Tranche I Issue (“ Tranche I Prospectus ”), which should be read together with the Shelf Prospectus dated October 22, 2020 (“ Shelf Prospectus ”) filed with the Registrar of Companies, Kerala and Lakshadweep, the Stock Exchange and the SEBI.
Listing	BSE
	BSE shall be the Designated Stock Exchange for the Issue.

Lock-in Mode of Allotment and Trading Mode of settlement Trading Lot Depositories Security	The NCDs are proposed to be listed within 6 Working Days from the Tranche I Issue Closing Date.																							
	N.A.																							
	NCDs will be issued and traded compulsorily in dematerialised form.																							
	Please refer to the section titled “Issue Structure” beginning on page 48 of this Tranche I Prospectus.																							
	One (1) NCD																							
Who can apply/ Eligible Investors Credit Ratings	NSDL and CDSL																							
	Security for the purpose of this Issue and every Tranche Issue will be created in accordance with the terms of the Debenture Trust Deed. For further details please refer to the section titled “Issue Structure” beginning on page 48 of this Tranche I Prospectus.																							
	Please refer to the section titled “Issue Procedure” beginning on page 68 of this Tranche I Prospectus.																							
	<table><tr><th>Rating agency</th><th>Instrument</th><th>Rating symbol</th><th>Date of credit rating letter</th><th>Amount rated</th><th>Rating definition</th></tr><tr><td>ICRA</td><td>NCDs</td><td>"[ICRA] AA(Stable)"</td><td>September 26, 2020 and further revalidated by rating letter dated October 09, 2020</td><td>Secured NCDs for ₹ 40,000.00 million rated "[ICRA] AA (Stable)"</td><td>Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.</td></tr><tr><td>CRISIL</td><td>NCDs</td><td>“CRISIL AA/Positive”</td><td>September 22, 2020 and further revalidated by rating letter dated October 08, 2020</td><td>Secured NCDs for ₹ 40,000.00 million rated "CRISIL AA/Positive"</td><td>Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.</td></tr></table>						Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated	Rating definition	ICRA	NCDs	"[ICRA] AA(Stable)"	September 26, 2020 and further revalidated by rating letter dated October 09, 2020	Secured NCDs for ₹ 40,000.00 million rated "[ICRA] AA (Stable)"	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.	CRISIL	NCDs	“CRISIL AA/Positive”	September 22, 2020 and further revalidated by rating letter dated October 08, 2020	Secured NCDs for ₹ 40,000.00 million rated "CRISIL AA/Positive"	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
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Pay-in date Record Date	Please refer to pages 118 to 147 of this Tranche I Prospectus for rating letter and rationale for the above ratings. Please refer to the disclaimer clause of ICRA and CRISIL on page 12 under the chapter "General Information".																							
	Application Date. The entire Application Amount is payable on Application.																							
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	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. 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 Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.																							
	The applicable covenants to the Issue shall be based on the Shelf Prospectus, Tranche Prospectus and Debenture Trust Deed and have been indicated below:																							
	The Company shall:																							
	1. pay the principal and interest on the Secured NCDs;																							
	2. create additional security, if the Debenture Trustee is of the opinion that during the subsistence of these presents, the security for the Secured NCDs has become inadequate on account of the margin requirements;																							

5. submit a half yearly report regarding the use of the proceeds of the Issue, accurate payment of the interest, as certified by the statutory auditors to the Debenture Trustee;
6. submit a valuation report, if required with respect to the security, or a revaluation report as applicable;
7. at the end of each Financial Year submit an annual credit rating. In case of any degradation, Company shall provide provide additional security;
8. keep proper books of account and make true entries of all dealings and transactions, in relation to the Security and the business of the Company and shall keep such books of account at its registered office;
9. provide to the Debenture Trustee such information relating to the business, property and affairs of the Company and the Debenture Trustee shall be entitled to nominate a firm of Chartered Accountant to examine the books of account, documents and property of the Company and to investigate the affairs of the Company;
10. permit the Debenture Trustee to enter into or upon and to view the state and condition of all the security and all expenses for the purpose of such inspection shall be covered by the Company;
11. forthwith give, notice in writing to the Debenture Trustee of all orders, directions, notice or commencement of any proceedings of any court/tribunal affecting or likely to affect the security;
12. to register the provisions relating to the security in compliance with the Companies Act;
13. maintain its corporate existence and shall maintain and comply with all now held or any other rights, licences, privileges or concessions acquired in the conduct of its business;
14. pay all stamp duty, taxes, charges and penalties as required;
15. comply with all Applicable Laws;
16. reimburse all sums paid or expenses incurred by the Debenture Trustee or Receiver or other person appointed by the Debenture Trustee;
17. inform the Debenture Trustee if the Company has notice of any application for winding up having been made or any statutory notice of winding up is given to the Company under the Companies Act, the Insolvency and Bankruptcy Code, 2016 or other legal process intended to be filed or initiated against the Company that is affecting title of the Company with respect to its properties;
18. inform the Debenture Trustee of the happening of any labour strikes, lockouts, shut-downs, fires or any event likely to have a substantial effect on the Company's profits or business and the reasons therefor;
19. inform the Debenture Trustee of any loss or damage, which the Company may suffer due to force majeure circumstances or act of God against which the Company may not have insured its properties;
20. submit its duly audited annual accounts, within 6 months from the close of its Financial Year and in case the statutory audit is not likely to be completed during this period, the Company shall get its accounts audited by an independent firm of chartered accountants and furnish the same to the Debenture Trustee;
21. submit its duly audited annual accounts, within 6 months from the close of its Financial Year and in case the statutory audit is not likely to be completed during this period, the Company shall get its accounts audited by an independent firm of chartered accountants and furnish the same to the Debenture Trustee;
22. furnish the following information to the Debenture Trustee:
 - (f) on a quarterly basis: (i) certificate from the director or managing director of the Company, certifying the amount of Security; and (ii) certificate from an independent chartered accountant certifying the amount of Security;
 - (g) on a half yearly basis, certificate from the statutory auditor of the Company giving the value of receivables/book debts including compliance with the covenants of the Offer Document/Information Memorandum in the manner as may be specified by SEBI from time to time;
 - (h) inform the Debenture Trustee of any change in its name, any change in the composition of its Board of Directors or change in the nature and conduct of its business prior to such change being effected; and
 - (i) inform the Debenture Trustee prior to declaration or distribution of dividend by the Company;
 - (j) any additional documents and information as specified in Regulation 56 of SEBI LODR Regulations, 2015, as amended from time to time.
23. maintain the security cover in respect of the outstanding Secured NCDs until all secured obligations in relation to the Secured NCDs are paid in full;
24. submit a quarterly report to the Debenture Trustee containing the following particulars:
 - (e) updated list of names and address of all Secured NCD Holders;
 - (f) details of interest due but unpaid and reasons for the same;
 - (g) the number and nature of grievances received from the Secured NCD Holders including those resolved by the

	<p>Company and unresolved by the Company and reasons for the same; and</p> <p>(h) statement that the assets of the Company available as security are sufficient to discharge the claims of the Secured NCD Holders as and when the same become due.</p> <p>25. ensure that the Security of the Company is always sufficient to discharge the secured obligations and that such assets are free from any other encumbrances except the permitted security interest.</p> <p>Negative Covenants</p> <p>The Company shall not, without the prior written approval of the Debenture Trustee:</p> <ol style="list-style-type: none"> 1. declare or pay any dividend to its shareholders during any financial year unless it has paid the instalment of principal amount and interest then due and payable on the Secured NCDs; 2. undertake any new project, diversification, modernisation or substantial expansion of any project unless it has paid the instalment of principal and interest then due and payable on the Secured NCDs; 3. create any subsidiary or permit any company to become its subsidiary unless it has paid the instalment of principal and interest then due and payable on the Secured NCDs; 4. undertake or permit any merger, consolidation, reorganisation, amalgamation, reconstruction, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction; 5. voluntarily suffers any act, which has a substantial effect on its business profits, production or sales; 6. permit any act whereby the payment of any principal or interest on the Secured NCDs may be hindered or delayed; or 7. subordinate any rights under these Secured NCDs to any other series debentures or prefer any payments under series debentures. <p>The Company shall not make material modification to the structure of the NCDs in terms of coupon, conversion, redemption, or otherwise without prior approvals and requirements as mentioned in Regulation 59 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.</p> <p>Apart from the Transaction Documents, no other documents have been executed for the issue.</p> <p>The Secured NCDs are not subject to any mandatory prepayment/ early redemption clause(s) except as a consequence of an event of default.</p> <p>Further, the terms of the Issue regarding interest, payment of interest, maturity and redemption are set out in the section titled "Issue Related Information" on page 43 of this Tranche I Prospectus.</p>
Tranche I Issue Schedule*	The Tranche I Issue shall be open from October 27, 2020 to November 20, 2020 with an option to close earlier and/or extend upto a period as may be determined by the NCD Committee.
Objects of the Issue	Please refer to the section titled " <i>Objects of the Issue</i> " on page 27 of this Tranche I Prospectus.
Details of the utilisation of Issue proceeds	Please refer to the section titled " <i>Objects of the Issue</i> " on page 27 of this Tranche I Prospectus.
Coupon rate, coupon payment date and redemption premium/discount	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus.
Step up/ Step down interest rates	N.A.
Interest type	Fixed
Interest reset process	N.A.
Tenor	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus.
Coupon payment frequency	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus.
Redemption date	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus.
Redemption Amount	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 48 of this Tranche I Prospectus.
Day count convention	Actual/Actual
Working Days convention/Day count convention / Effect of holidays on payment	All days excluding the second and the fourth Saturday of every month, Sundays and a public holiday in Kochi or Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to 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 Issue Closing Date to listing of the NCDs, Working Days shall be all trading days of stock exchanges excluding Sundays and bank holidays in Mumbai.
	Interest shall be computed on an actual/actual basis i.e. 365 days-a-year basis on the principal outstanding on the NCDs. However, if period from the Deemed Date Of Allotment / anniversary date of Allotment till one day prior to the next anniversary / redemption date includes February 29, interest shall be computed on 366 days a-year

	basis, on the principal outstanding on the NCDs.
	If the date of payment of interest or any date specified does not fall on a Working Day, then the succeeding Working Day will be considered as the effective date for such payment of interest, as the case may be (the “ Effective Date ”). Interest or other amounts, if any, will be paid on the Effective Date. For avoidance of doubt, in case of interest payment on Effective Date, interest for period between actual interest payment date and the Effective Date will be paid in normal course in next interest payment date cycle. Payment of interest will be subject to the deduction of tax as per Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date falls on a holiday, the maturity proceeds will be paid on the immediately previous Working Day along with the coupon/interest accrued on the NCDs until but excluding the date of such payment.
Tranche I Issue Opening Date	October 27, 2020
Tranche I Issue Closing Date	November 20, 2020
Default interest rate	In the event of any default in fulfillment of obligations by our Company under the Debenture Trust Deed(s), the default interest rate payable to the applicant shall be as prescribed under the Debenture Trust Deed(s).
Put/Call Date/Price	N.A.
Option Deemed Date of Allotment	The date on which the Board or the duly authorised committee of the Board constituted by resolution of the Board dated May 16, 2018 approves the Allotment of the NCDs for each Tranche Issue. 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 (as specified for Tranche I Issue by way of this Tranche I Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment.
Transaction documents	Draft Shelf Prospectus dated September 30, 2020, the Shelf Prospectus dated October 22, 2020, this Tranche I Prospectus, Application Form, Tripartite Agreements dated December 8, 2010 and letter of extension dated March 14, 2011 and August 25, 2006, between the Company, the Registrar and CDSL and NSDL, Engagement Letters dated September 30, 2020 appointing Edelweiss Financial Services Limited, JM Financial Limited and Equirus Capital Private Limited as the Lead Managers respectively, Engagement Letter dated October 14, 2020 appointing A. K. Capital Services Limited as the Lead Manager, Addendum Advertisement, Issue Agreement dated September 30, 2020 between our Company and the Lead Managers, Amendment to the Issue Agreement dated October 14, 2020, the Registrar Agreement dated September 30, 2020 with the Registrar to the Issue, Amendment to the Registrar Agreement dated October 14, 2020, the Public Issue Account Agreement dated October 15, 2020 with the Public Issue Account Bank and the Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated October 15, 2020 with the Lead Brokers and Lead Managers, the Debenture Trust Agreement dated September 30, 2020 executed between our Company and the Debenture Trustee and the Debenture Trust Deed to be executed between our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Issue and to protect the interest of NCD Holders under the Issue.
Conditions precedent and subsequent to the Issue	The conditions precedent and subsequent to disbursement will be finalised upon execution of the Debenture Trust Deed.
Events of default (including manner of voting/conditions of joining Inter Creditor Agreement)	Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 66 of this Tranche I Prospectus.
Creation of recovery expense fund	The Company undertakes to create a recovery expense fund in the manner as may be specified by SEBI from time to time and inform the Debenture Trustee regarding the creation of such fund.
	The recovery expense fund may be utilised by Debenture Trustee, in the event of default by the Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the Shelf Prospectus, this Tranche I Prospectus and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy (in which case no notice shall be required), such default continues for thirty days after written notice has been given thereof by the Debenture Trustee to the Company requiring the same to be remedied, it shall constitute an event of default.
	The Debenture Trustee may, at any time, waive, on such terms and conditions as to it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof.
Cross Default	Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 66 of this Tranche I Prospectus.
Roles and responsibilities of the Debenture Trustee	Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 66 of this Tranche I Prospectus.
Risk factors pertaining to the Issue	Please refer to the section titled “ <i>Issue Structure-Trustees for the Secured NCD Holders</i> ” on page 65 of this Tranche I Prospectus respectively.
Governing law and jurisdiction	Please refer to the section titled “ <i>Risk Factors</i> ” on page 11 of the Shelf Prospectus.
	This Tranche I Issue shall be governed in accordance with the laws of the Republic of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai.

In terms of Regulation 4(2)(d) of the SEBI Debt Regulations, the Company will make public issue of NCDs in the dematerialised form. However, in terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the NCDs post allotment in physical form, will fulfill such request through the process of rematerialisation.

*The subscription list shall remain open for subscription on Working Days from 10 A.M. to 5 P.M., during the period indicated in this Tranche I Prospectus, except that the Tranche I Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Committee. In the event of such an early closure of 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 national daily newspaper with wide circulation on or before such earlier date or extended date of closure. Application 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 BSE, on Working Days during the Issue Period. On the Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 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.

While the Secured NCDs will be secured to the tune of 100% of the principal and interest amount thereon and as per the terms of the Shelf Prospectus and this Tranche I Prospectus in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained. However, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Nature of the Secured NCDs

We are offering Secured NCDs which shall have a fixed rate of interest. The Secured NCDs will be issued at a face value of ₹ 1,000.00 per NCD. Interest on the Secured NCDs shall be payable in the manner, as set out hereinafter. The terms of the Secured NCDs offered pursuant to the Tranche I Issue are as follows:

Terms and conditions in connection with Secured NCDs**** Options	I	II	III	IV	V	VI
Frequency of Interest Payment	Monthly*	Monthly*	Annually**	Annually**	NA	NA
Who can apply <i>Category I– Institutional</i> <i>Category II– Non-institutional</i> <i>Category III- High Net Worth Individual</i> <i>Category IV- Retail Individual</i>	All categories of investors (Category I, II, III & IV)					
Minimum Application	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)
In multiples of	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)
Face Value of NCDs (₹ / NCD)	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Issue Price (₹ / NCD)	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Tenor from Deemed Date of Allotment	38months	60 months	38months	60 months	38months	60 months
Base Coupon Rate (% per annum) (A) <i>Category I- Institutional</i> <i>Category II- Non Institutional</i> <i>Category III-High Net Worth Individual</i> <i>Category IV-Retail Individual</i>	7.15%	7.50%	7.40%	7.75%	NA	NA
Additional incentive on Base Coupon Rate (% per annum) on any Record Date as applicable to Category III and Category IV investors (B)***** <i>Category III- High Net Worth Individual</i> <i>Category IV- Retail Individual</i>	0.25%	0.25%	0.25%	0.25%	NA	NA

Coupon Rate (Aggregate of the Base Coupon Rate and the additional incentive on the Base Coupon Rate on any Record Date as applicable to Category III and Category IV investors {(A) + (B)})

Category I- Institutional

7.15%

7.50%

7.40%

7.75%

NA

NA

Category II- Non Institutional

7.15%

7.50%

7.40%

7.75%

NA

NA

Category III- High Net Worth Individual

7.40%

7.75%

7.65%

8.00%

NA

NA

Category IV- Retail Individual

7.40%

7.75%

7.65%

8.00%

NA

NA

Effective Yield (Per annum)*****

Category I- Institutional

7.15%

7.50%

7.40%

7.75%

7.40%

7.75%

Category II- Non Institutional

7.15%

7.50%

7.40%

7.75%

7.40%

7.75%

Category III- High Net Worth Individual

7.40%

7.75%

7.65%

8.00%

7.65%

8.00%

Category IV- Retail Individual

7.40%

7.75%

7.65%

8.00%

7.65%

8.00%

Mode of Payment

Through various options available

Amount (/ NCD) on Maturity***

Category I- Institutional

₹ 1,000.00

₹ 1,000.00

₹ 1,000.00

₹ 1,000.00

₹ 1,254.11

₹ 1,452.40

Category II- Non Institutional

₹ 1,000.00

₹ 1,000.00

₹ 1,000.00

₹ 1,000.00

₹ 1,254.11

₹ 1,452.40

Category III- High Net Worth Individual

₹ 1,000.00

₹ 1,000.00

₹ 1,000.00

₹ 1,000.00

₹ 1,263.41

₹ 1,469.33

Category IV- Retail Individual

₹ 1,000.00

₹ 1,000.00

₹ 1,000.00

₹ 1,000.00

₹ 1,263.41

₹ 1,469.33

Maturity Date (From Deemed Date of Allotment)

38months

60 months

38months

60 months

38months

60 months

Nature of indebtedness

Secured and non-convertible

* With respect to Options where interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such NCDs, and paid on the first day of every subsequent month. For the first interest payment for NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.

** 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 A 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.

***** On Options I and II, monthly interest payment is not assumed to be reinvested for the purpose of calculation of Effective Yield (per annum).

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

*****As regards the payment of additional incentive, such additional incentive shall be payable to only such NCD Holders who shall be individuals as on the Record Date.

Interest and Payment of Interest

For avoidance of doubt, with respect to Option I and Option II for Secured NCDs where interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such Secured NCDs, and paid on the first day of every subsequent month. For the first interest payment for Secured NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.

With respect to Option III and Option IV 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 Secured NCDs. The last interest payment under Annual options will be made at the time of redemption of the Secured NCDs.

A. Interest

In case of Option I Secured NCDs, interest would be paid on a monthly basis at 7.15% per annum to Category I and Category II Investors and 7.40% per annum to Category III and Category IV Investors. Option I Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 38 months from the Deemed Date of Allotment.

In case of Option II Secured NCDs, interest would be paid on a monthly basis at 7.50% per annum to Category I and Category II Investors and 7.75% per annum to Category III and Category IV Investors. Option II 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.

In case of Option III Secured NCDs, interest would be paid on an annual basis at 7.40% per annum to Category I and Category II Investors and 7.65% per annum to Category III and Category IV Investors. Option III Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 38 months from the Deemed Date of Allotment.

In case of Option IV Secured NCDs, interest would be paid on an annual basis at 7.75% per annum to Category I and Category II Investors and 8.00% per annum to Category III and Category IV Investors. Option 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.

Option V Secured NCDs shall be redeemed at ₹ 1,254.11 for Category I and Category II Investors and at ₹ 1,263.41 for Category III and Category IV Investors at the end of 38 months from the Deemed Date of Allotment.

Option VI Secured NCDs shall be redeemed at ₹ 1,452.40 for Category I and Category II Investors and at ₹ 1,469.33 for Category III and Category IV Investors at the end of 60 months from the Deemed Date of Allotment.

If the date of interest payment falls on the second or fourth Saturday of any month, Sunday or a public holiday in Kochi or Mumbai or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, then interest as due and payable on such day, would be paid on the next 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 holiday. 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.

Please note that in case the Secured 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 Secured NCDs or the deceased holder of Secured NCDs, as the case may be, shall be entitled to any interest which may have accrued on the Secured NCDs subject to such Transferee holding the Secured NCDs on the Record Date.

Taxation

As per clause (ix) of Section 193 of the IT 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 (42 of 1956) and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed Secured NCDs held in the dematerialised form.

However in case of Secured NCDs held in physical form on account of rematerialisation, as per the current provisions of the IT Act, tax will not be deducted at source from interest payable on such Secured NCDs held by the investor, if such interest does not exceed ₹ 5,000 in any financial year. If interest exceeds the prescribed limit of ₹ 5,000 on account of interest on the Secured NCDs, then the tax will be deducted at applicable rate. However in case of Secured NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the Secured NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13. The aforesaid documents, as may be applicable, should be submitted at the office of the Registrar quoting the name of the sole/ first Secured NCD Holder, NCD folio number and the distinctive number(s) of the Secured NCD held, at least seven days prior to the Record Date to ensure non-deduction/lower deduction of tax at source from interest on the Secured NCD. The investors need to submit Form 15H/ 15G/certificate in original with the Assessing Officer for each financial year during the currency of the Secured NCD to ensure non-deduction or lower deduction of tax at source from interest on the Secured NCD.

Tax exemption certificate/document, if any, must be lodged at the office of the Registrar at least 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.

Payment of Interest

For Secured NCDs subscribed under Option I and Option II, interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such Secured NCDs, and paid on the first day of every subsequent month. For the first interest payment for Secured NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month. On Option III and Option IV, the relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the Secured NCD and the last interest payment under annual Options will be made at the time of redemption of the Secured NCDs. The last interest payment for Secured NCDs subscribed under Option I, Option II, Option III and Option IV will be made at the time of redemption of the Secured NCD.

On Option V and Option VI, NCDs shall be redeemed at the end of 38 months and 60 months from the Deemed Date of Allotment.

Amount of interest payable shall be rounded off to the nearest Rupee. If the date of interest payment falls on the second or fourth Saturday on any month, Sunday or a public holiday in Mumbai or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, then interest as due and payable on such day, would be paid on the next 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 holiday. Payment of interest would be subject to the deduction as prescribed in the IT Act or any statutory modification or re-enactment thereof for the time being in force.

Interest for each of the interest periods shall be calculated, on the face value of principal outstanding on the Secured NCDs at the applicable Coupon Rate for each Category rounded off to the nearest Rupee and same shall be paid annually. Interest shall be computed on an actual/actual basis i.e. 365 days-a-year basis on the principal outstanding on the NCDs. However, if period from deemed date of allotment/anniversary date of allotment till one day prior to next anniversary date/redemption date includes February 29th, interest shall be computed on 366 days a-year basis.

Payment of Interest to Secured NCD Holders

Payment of interest will be made to (i) in case of Secured NCDs in dematerialised form the persons who for the time being appear in the register of beneficial owners of the Secured NCD as per the Depositories as on the Record Date and (ii) in case of Secured NCDs in physical form on account of rematerialisation, the persons whose names appear in the register of debenture holders maintained by us (or to first holder in case of joint-holders) as on the Record Date.

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 Secured NCD Holders. 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 effect payments to Secured NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details see the section titled “*Issue Structure - Manner of Payment of Interest / Refund / Redemption*” beginning at page 60 of this Tranche I Prospectus.

Maturity and Redemption

For Secured NCDs subscribed under Option I, Option II, Option III, Option IV, Option V, Option VI the relevant interest will be paid in the manner set out in “*Issue Structure- Payment of Interest*” at page 58. The last interest payment will be made at the time of redemption of the Secured NCD.

Options	Maturity period/Redemption (as applicable)
I	38 months from the Deemed Date of Allotment
II	60 months from the Deemed Date of Allotment
III	38 months from the Deemed Date of Allotment
IV	60 months from the Deemed Date of Allotment
V	38 months from the Deemed Date of Allotment
VI	60 months from the Deemed Date of Allotment

Deemed Date of Allotment

Deemed Date of Allotment shall mean the date on which the Board or the NCD Committee of the Board constituted by resolution of the Board dated May 16, 2018 approves the Allotment of the NCDs for the Tranche I Issue. 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 (as specified for the Tranche I Issue by way of the relevant Tranche I Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment.

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

Terms of Payment

The entire issue price per NCD, as specified in this Tranche I Prospectus, is blocked in the ASBA Account on application itself. In case of Allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall unblock the excess amount paid on application to the applicant in accordance with the terms of this Tranche I Prospectus.

Record Date

The Record Date for payment of interest in connection with the Secured NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the Secured NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of Secured NCDs and the date of redemption or as prescribed by the relevant stock exchange(s), as the case may be. In case Record Date falls on a day when stock exchanges are having a trading holiday, the immediate subsequent trading day, or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.

Manner of Payment of Interest / Refund / Redemption

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

For Secured NCDs applied / held in electronic form

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.

The Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to be refunded to the Applicants.

For Secured NCDs held in physical form due to rematerialisation

The bank details will be obtained from the Registrar to the Issue for payment of interest / refund / redemption as the case may be.

In the event, the interest / payout 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 ₹1,837.50, then the amount shall be rounded off to ₹1,838.

The mode of interest / refund / redemption payments shall be undertaken in the following order of preference:

1. Direct Credit

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Banker. Interest / redemption amount would be credited directly to the bank accounts of the Investors, if held with the same bank as the Company.

2. NACH

National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

3. RTGS

Applicants having a bank account with a participating bank and whose interest payment/ refund/ redemption amounts exceed ₹ 200,000, or such amount as may be fixed by RBI from time to time, have the option to receive refund through RTGS. Such eligible Applicants who indicate their preference to receive interest payment/ refund/ redemption through RTGS are required to provide the IFSC code in the Application Form or intimate our Company and the Registrar to the Issue at least seven days prior to the Record Date. Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant. In the event the same is not provided, interest payment/ refund/ redemption shall be made through NACH subject to availability of complete bank account details for the same as stated above.

4. NEFT

Payment of interest/ refunds/ redemption shall be undertaken through NEFT wherever the Applicants' banks have been assigned the Indian Financial System Code ("IFSC"), which can be linked to a Magnetic Ink Character Recognition ("MICR"), if any, available to that particular bank branch. The IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of interest/ refund/ redemption will be made to the applicants through this method.

5. Registered Post/Speed Post

For all other applicants, including those who have not updated their bank particulars with the MICR code, the interest payment / refund / redemption orders shall be dispatched through speed post/ registered post.

Please note that applicants are eligible to receive payments through the modes detailed in (1), (2) (3), and (4) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of Secured NCD, for any delay in receiving credit of interest / refund / redemption so long as our Company has initiated the process of such request in time.

Printing of Bank Particulars on Interest Warrants

As a matter of precaution against possible fraudulent encashment of 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 warrants. In relation to Secured NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of Secured NCDs held in physical form either on account of rematerialisation or transfer, the Secured NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the warrants will be dispatched to the postal address of the Secured NCD Holders as available in the records of our Company either through speed post or registered post.

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

Loan against Secured NCDs

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. However, if the RBI subsequently permits the extension of loans by NBFCs against the security of its debentures issued by way of private placement or public issues, the Company may consider granting loans against the security of such Secured NCDs, subject to terms and conditions as may be decided by the Company at the relevant time, in compliance with applicable law.

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, buy-back the Secured NCDs, upon such terms and conditions as may be decided by our Company.

Form and Denomination

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

It is however distinctly to be understood that the Secured NCDs pursuant to this issue shall be traded only in demat form.

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

Procedure for Redemption by Secured NCD holders

The procedure for redemption is set out below:

Secured NCDs held in physical form on account of rematerialisation:

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

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

Secured NCDs held in electronic form:

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

Payment on Redemption

The manner of payment of redemption is set out below.

Secured NCDs held in physical form on account of rematerialisation

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

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

Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least seven days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

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

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

Secured NCDs held in electronic form

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

Our liability to Secured NCD Holders towards his/their rights including for payment/ redemption in all events shall end when we dispatch the redemption amounts to the Secured NCD Holders.

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

* In the event, the interest / payout 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 ₹ 1,837.5, then the amount shall be rounded off to ₹ 1,838.

Right to reissue Secured NCD(s)

Subject to the provisions of the Companies Act, 2013, 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.

Transfer/Transmission of Secured NCD(s)

For Secured NCDs held in physical form on account of rematerialisation

The Secured NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of Companies Act, 2013 applicable as on the date of this Tranche I Prospectus and all other applicable laws including FEMA and the rules and regulations thereunder. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles and the relevant provisions of the Companies Act, 2013 applicable as on the date of this Tranche I Prospectus, and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, *mutatis mutandis* (to the extent applicable to debentures) to the Secured NCDs as well. In respect of the Secured NCDs held in physical form on account of rematerialisation, a common form of transfer shall be used for the same. The Secured NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depository Participants of the transferor and the transferee and any other applicable laws and rules notified in respect thereof. The transferees should ensure that the transfer formalities are completed at 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 or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with the Issuer or Registrar.

For Secured NCDs held in electronic form

The normal procedure followed for transfer of securities held in dematerialised form shall be followed for transfer of the NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to his depository participant.

In case the transferee does not have a Depository Participant account, the transferor can rematerialise the NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these NCDs can be transferred in the manner as stated above for transfer of NCDs held in physical form.

In case the recipient of the NCDs in physical form wants to hold the NCDs in dematerialized form, he can choose to dematerialize the securities through his DP.

Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Title

In case of:

- Secured NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depository; and
- the Secured NCDs held in physical form on account of rematerialisation, the person for the time being appearing in the register of NCD Holders as Secured NCD holder,

shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated NCD Certificates issued in respect of the Secured NCDs and no person will be liable for so treating the Secured NCD holder.

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 2013, mutatis mutandis (to the extent applicable) to the Secured NCD(s) as well.

Common form of transfer

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

Joint-holders

Where two or more persons are holders of any Secured 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.

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 Secured NCD Holders available with us, with our subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the Secured NCD Holders required to be given by us or the Debenture Trustee will be sent by speed post or registered post or through email or other electronic media to the registered Secured NCD Holders from time to time.

Issue of Duplicate NCD Certificate(s) issued in physical form

If NCD certificate(s) is/ are mutilated or defaced or the cages for recording transfers of Secured NCDs are fully utilised, the same may be replaced by us against the surrender of such certificate(s). Provided, where the NCD certificate(s) are mutilated or defaced, the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible.

If any NCD certificate is destroyed, stolen or lost then upon production of proof thereof to our satisfaction and upon furnishing such indemnity/ security and/or documents as we may deem adequate, duplicate Secured NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Security

The Secured NCDs shall be secured by way of first *pari passu* floating charge on current assets, book debts, loans, advances and receivables including gold loan receivables both present and future, by way of hypothecation.

The issuer shall create and maintain security for the Secured NCDs in favour of the Debenture Trustee for the Secured NCD Holders on the book value of the above assets as appearing in the balance sheet from time to time to the extent of 100% of the amount outstanding in respect of Secured NCDs including interest thereon at any time.

At the request of the Company, the Debenture Trustee may release/ exclude a part of the assets mentioned above from the security to be created for the Secured NCDs, subject to the Company maintaining the security cover as mentioned above and subject to such other terms and conditions as may be stipulated by the Debenture Trustee.

The Company shall carry out subsequent valuation of the assets mentioned above, at the request of the Debenture Trustee, at the Company's cost.

While the Secured NCDs will be secured to the tune of 100% of the principal and interest amount as per the terms of this Tranche I Prospectus, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Our Company intends to enter into an agreement with the Debenture Trustee ('**Debenture Trust Deed**'), the terms of which will govern the appointment of the Debenture Trustee and the issue of the Secured NCDs. Our Company proposes to complete the execution of the Debenture Trust Deed before finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange and utilize the funds only after the stipulated security has been created and upon receipt of listing and trading approval from the Designated Stock Exchange.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the Secured NCD Holders the principal amount on the Secured NCDs on the relevant redemption date and also that it will pay the interest due on Secured NCDs on the rate specified in this Tranche I Prospectus and in the Debenture Trust Deed.

The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value subject to the stipulated security cover being maintained till the maturity date of the Secured NCDs.

Trustees for the Secured NCD holders

We have appointed IDBI Trusteeship Services Limited to act as the Debenture Trustees for the Secured NCD Holders. The Debenture Trustee and we will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The Secured NCD Holders shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the Secured NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Secured NCD Holders. Any payment made by us to

the Debenture Trustee on behalf of the Secured NCD Holders shall discharge us pro tanto to the Secured NCD Holders.

The Debenture Trustee will protect the interest of the Secured 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:

The occurrence of any one of the following events (unless cured within the applicable cure period of 30 (thirty) days from the receipt by the Company of a written notice from the Debenture Trustee (acting on the instructions of the Majority NCD Holders) or such cure period which has been specified for a specific Event of Default in the clause itself) shall constitute an event of default by the Company ("**Event of Default**"):

- (a) default is committed in payment of any interest or principal amount of the Secured NCDs on the due date(s);
- (b) default is committed in the performance or observance of any term, covenant, condition or provision contained in the Shelf Prospectus, this Tranche I Prospectus, the Transaction Documents and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy (in which case no notice shall be required), such default continues for thirty days after written notice has been given thereof by the Debenture Trustee to the Company requiring the same to be remedied;
- (c) any information given by the Company to the Secured NCD holders or the Debenture Trustee in the Transaction Documents and the warranties given or deemed to have been given by it to the Secured NCD holders or the Debenture Trustee is misleading or incorrect in any material respect, which is capable of being cured and is not cured within a period of 30 days from such occurrence;
- (d) a petition for winding up of the Company have been admitted and an order of a court of competent jurisdiction is made for the winding up of the Company or an effective resolution is passed for the winding up of the Company by the members of the Company is made otherwise than in pursuance of a scheme of amalgamation or reconstruction previously approved in writing by the Debenture Trustee and duly carried out into effect or consents to the entry of an order for relief in an involuntary proceeding under any such law, or consents to the appointment or taking possession by a receiver, liquidator, assignee (or similar official) for any or a substantial part of its property or any action is taken towards its re-organisation, liquidation or dissolution;
- (e) an application is filed by the Company, the financial creditor or the operational creditor (as defined under the Insolvency and Bankruptcy Code, 2016, as amended from time to time) before a National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, as amended from time to time and the same has been admitted by the National Company Law Tribunal.
- (f) proceedings are initiated against the Company under the insolvency laws or a resolution professional has been appointed under the insolvency laws and in any such event, the same is not stayed or discharged within 45 days.
- (g) if in the opinion of the Debenture Trustee further security should be created to secure the Secured NCDs and to maintain the security cover specified and on advising the Company, fails to create such security in favour of the Debenture Trustee to its reasonable satisfaction;
- (h) if without the prior written approval of the Debenture Trustee, the security or any part thereof is sold, disposed off, charged, encumbered or alienated, pulled down or demolished, other than as provided in the Debenture Trust Deed;
- (i) an encumbrancer, receiver or liquidator takes possession of the assets charged as security or any part thereof, or has been appointed or allowed to be appointed of all or any part of the undertaking of the Company and such appointment is, in the opinion of the Debenture Trustee, prejudicial to the security hereby created;
- (j) if an attachment has been levied on the assets charged as security or any part thereof or certificate proceedings have been taken or commenced for recovery of any dues from the Company;

- (k) the Company without the consent of Secured NCD Holders / Debenture Trustee cease to carry on its business or gives notice of its intention to do so;
- (l) one or more events, conditions or circumstances whether related or not, (including any change in Applicable Law) has occurred or might occur which could collectively or otherwise be expected to affect the ability of the Company to discharge its obligations under this Issue;
- (m) the Company enters into amalgamation, reorganisation or reconstruction without the prior consent of the Debenture Trustee in writing; and
- (n) in the opinion of the Debenture Trustee, the Security created for the benefit of Secured NCD Holders is in jeopardy.

Any event of default shall be called by the Debenture Trustee, upon request in writing of or by way of resolution passed by holders of 75% (seventy five percent) of the outstanding nominal value of all Secured NCDs at any point of time (i.e. the Majority NCD Holders), as set out in the Debenture Trust Deed.

Subject to the approval of the debenture holders and the conditions as may be specified by the SEBI from time to time, the Debenture Trustee, on behalf of the debenture holders, may enter into inter-creditor agreements provided under the framework specified by the Reserve Bank of India.

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 secured term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency by creating charge over security as defined in this Tranche I Prospectus as well as corresponding Debenture Trust Deed provided stipulated security cover is maintained on Secured NCDs and consent of the Debenture Trustee regarding the creation of a charge over such security is obtained.

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 as disclosed in Schedule A.

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 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 TRANHCE I PROSPECTUS, THE TRANCHE I ISSUE OPENING DATE AND THE TRANCHE I ISSUE CLOSING DATE.

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

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

Who can apply?

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

Category I

- Public financial institutions, statutory corporations, commercial banks, co-operative banks and RRBs and multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds, pension funds with a minimum corpus of Rs 25 crores, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance Companies registered with 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 five hundred crore rupees as per the last audited financial statements;
- National Investment Fund set up by resolution no. F. No. 2/3/2005 –DDII dated November 23,2005 of the Government of India published in the Gazette of India; and
- Mutual Funds registered with SEBI.

Category II

- Companies; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- 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

- High Net-worth Individual Investors ("HNIs") - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above INR 1,000,000 across all options of NCDs in the Issue

Category IV

- Retail Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including INR 1,000,000 across all options of NCDs in the Issue.

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

this Tranche I Prospectus.

How to apply?

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

Please note that there is a single Application Form for all Applicants.

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

- (i) for download on the website of BSE at www.bseindia.com, and the website of the Lead Managers at www.edelweissfin.com, www.jmfl.com, www.equirus.com and www.akgroup.co.in.
- (ii) at the designated branches of the SCSB and the Designated Intermediaries at the Syndicate ASBA Application Locations.

Electronic Application Forms will also be available on the website of the Stock Exchange. A hyperlink to the website of the Stock Exchange for this facility will be provided on the website of the Lead Managers and the SCSBs. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Method of Application

An eligible investor desirous of applying in the Tranche I Issue can make Applications only through the ASBA process

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 exchanges in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism. Please note that the Applicants will not have the option to apply for NCDs under the Issue, through the direct online applications mechanism of the Stock Exchange. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange and the Stock Exchange 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.

Applicants intending to subscribe in the 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 CRTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at <http://www.sebi.gov.in>.

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

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the

SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to 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 options of NCDs, as specified in this Tranche I Prospectus.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

Pursuant to the SEBI circular SEBI/HO/IMD/DF2/CIR/P/2019/104 dated October 1, 2019 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 additional exposure limit provided for financial services sector not exceeding 10% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. However the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme. Further, the group level limits for debt schemes and the ceiling be fixed at 10% of net assets value extendable to 15% of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMCs or custodians of a Mutual Fund shall clearly indicate the name of the concerned scheme for which the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (ii) a resolution authorising investment and containing operating instructions and (iii) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Application by Scheduled Banks, Co-operative Banks and RRBs

Scheduled Banks, Co-operative Banks and RRBs can apply in a relevant Tranche Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) a board resolution authorising investments; and (ii) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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 for Allotment of the NCDs made by an Insurance Company, a certified copy of its certificate of registration issued by IRDA must be lodged along with Application Form. The Applications must be accompanied by certified copies of (i) its Memorandum and Articles of Association; (ii) a power of attorney (iii) a resolution authorising investment and containing operating instructions; and (iv) specimen signatures of

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

Applications by Alternative Investments Funds

Applications made by an Alternative Investments Fund eligible to invest in accordance with the Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012, must be accompanied by certified true copies of: (i) the SEBI registration certificate of such Alternative Investment Fund; (ii) a resolution authorising the investment and containing operating instructions; and (iii) specimen signatures of authorised persons. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof. Alternative Investment Funds applying for Allotment of the NCDs shall at all time comply with the conditions for categories as per their SEBI registration certificate and the Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012.

Applications by Trusts

In case of Applications for Allotment of the NCDs made by trusts, settled under the Indian Trusts Act, 1882, or any other statutory and/or regulatory provision governing the settlement of trusts in India, Applicants must submit a (i) a certified copy of the registered instrument for creation of such trust; (ii) a 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 Tranche I Issue must ensure that (a) they are authorised 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 for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

Applications by Public Financial Institutions or statutory corporation for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

Applications made by companies, bodies corporate and registered societies for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

In case of Applications made pursuant to a power of attorney by Applicants from Category I, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.

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

In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form. Failing this, our Company, in consultation with the Lead Managers, reserves the right to reject such Applications.

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

Applications by provident funds, pension funds with a minimum corpus of Rs 25 crores, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds with a minimum corpus of Rs. 25 crores, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (iii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Funds

Application made by a National Invest Fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications cannot be made by:

- (a) Minors without a guardian name (A guardian may apply on behalf of a minor. However, the name of the guardian will need to be mentioned on the Application Form);
- (b) Foreign nationals;
- (c) Persons resident outside India;
- (d) Foreign Institutional Investors;
- (e) Non Resident Indians;
- (f) Qualified Foreign Investors;
- (g) Overseas Corporate Bodies;
- (h) Foreign Venture Capital Funds;
- (i) Persons ineligible to contract under applicable statutory/ regulatory requirements.

The Registrar 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 Exchanges by the Designated Intermediaries.

APPLICATIONS FOR ALLOTMENT OF NCDs

Submission of Applications

This section is for the information of the Applicants proposing to subscribe to the 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 Lead Brokers, 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.

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 Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Applicant's bank records, as mentioned in the Application Form, prior to uploading such 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 Application and shall not upload such 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 Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application.

In case of Application being made in the electronic mode, the Applicant shall submit the 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 Application.

- (b) Physically through the Designated Intermediaries at the respective Bidding Centres. Kindly note that above Applications submitted to any of the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the Application Form, has not named at least one branch at that Bidding Center where the Application Form is submitted (a list of such branches is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by

the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Collection Center, 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>). Upon receipt of the Application Form, 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 Application Form. If sufficient funds are not available in the ASBA Account, the relevant Application Form 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 Application Form. 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 this Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

- (a) Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries (other than Trading Members of the Stock Exchanges) at the respective Collection Centers; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Tranche I Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the electronic version of this Tranche I Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.
- (b) The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Tranche I Issue Period. The SCSB shall not accept any Application directly from Applicants after the closing time of acceptance of Applications on the Tranche I Issue Closing Date. However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Tranche I Issue Closing Date, if the Applications have been uploaded. For further information on the Tranche I Issue programme, please refer to “*Issue Structure*” on page 68 of this Tranche I Prospectus.
- (c) Physical 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.

In the event the Direct Online Application facility is implemented by the Stock Exchanges, 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 unique application number (“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 Secured 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.

Payment instructions

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form. Upon receipt of intimation from the Registrar to this Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the 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 Tranche I Issue or until rejection of the Application, as the case may be.

Additional information for Applicants

1. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected.
2. No separate receipts will be issued for the money blocked on the submission of Application Form. However, the collection centre of the Designated Intermediaries, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicant the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant.
3. Applications should be submitted through the Application Form only. In the event that physical Application Forms do not bear the stamp of the Designated Intermediary or the relevant Designated Branch, they are liable to be rejected.
4. Application Forms submitted by Applicants shall be for allotment of NCDs only in dematerialized form.

Filing of the Shelf Prospectus and Tranche Prospectus with ROC

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

Pre-Issue Advertisement

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

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;
- The Designated Intermediaries 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 Designated Intermediaries 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.
- 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 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 Exchanges by SCSBs, the Designated Intermediaries, 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. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder, in accordance with the instructions provided in the Application Form. Not more than five Applications can be made from one single ASBA Account;
- For Applicants, the Applications in physical mode should be submitted to the SCSBs or a member of the Syndicate or to the Trading Members of the Stock Exchanges on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account;
- Application Forms should bear the stamp of the Member of the Syndicate, Trading Member of the Stock Exchanges, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Designated Intermediaries nor the SCSBs, 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

Applicants 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, Bankers to the Issue, 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 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 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

Applications made in joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to first named in the Application whose name appears in the Application Form and at the address mentioned therein. 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, for the same or other Options of NCDs, as specified in this Tranche I Prospectus, subject to a minimum Application size as specified in this Tranche I Prospectus for each Application, 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.** 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 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 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. Ensure that the DP ID and Client ID are correct and beneficiary account is activated. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
5. Ensure that you have mentioned the correct ASBA Account number in the Application Form;
6. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder;
7. 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 the Application Forms are submitted at the Designated Branches of SCSBs or the Bidding Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediaries/Designated branch of the SCSB as the case may be;
9. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
10. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
11. 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 Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;
12. 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;
13. Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
14. 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;
15. Ensure that the Applications are submitted to the Designated Intermediaries, or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Tranche I Issue Closing Date. For further information on the Tranche I Issue programme, please refer to "***Issue Structure***" on page 48 of this Tranche I Prospectus.
16. **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;

17. 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;
18. All Applicants are requested to tick the relevant column “Category of Investor” in 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 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 cheque, by money order or by postal order or by stock invest;
3. Do not send Application Forms by post instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be;
4. Do not submit the Application Form to any non-SCSB bank or our Company.
5. Do not submit an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.
6. 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;
7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
8. 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;
9. Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
10. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
11. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
12. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;
13. Do not submit Application Forms to a Designated Intermediary at a location other than Collection Centers;
14. Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
15. 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
16. Do not make an application of the NCD on multiple copies taken of a single form.
17. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue; and
18. 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 83 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 Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such Applications from the Designated Intermediaries, (a list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the Application.

The entire 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 Exchanges. 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 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 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.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
Applications	<p>(i) If using <u>physical Application Form</u>, (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</p> <p>(ii) If using <u>electronic Application Form</u>, to the SCSBs, electronically through internet banking facility, if available.</p>

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.

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

However, the Designated Intermediaries, 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.

Electronic Registration of Applications

- (a) The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchanges. Direct Online Applications will be registered by Applicants using the online platform offered by the Stock Exchanges. **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 Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, or (v) any Applications accepted and uploaded and/or not uploaded by the Trading Members of the Stock Exchange or (vi) the Applications accepted by and/or uploaded by and/or accepted but not uploaded by Lead Brokers, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms**

In case of apparent data entry error by the Designated Intermediaries 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 Exchanges. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for allotment/rejection of Application.

- (b) The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of the Designated Intermediaries and the SCSBs during the Tranche I Issue Period. The Designated Intermediaries 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 Tranche I Issue Closing Date. On the Tranche I Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Designated Intermediaries 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 Tranche I Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Tranche I Issue programme, please refer to “*Issue Structure*” on page 48 of this Tranche I Prospectus.
- (c) With respect to Applications submitted directly to the SCSBs at the time of registering each Application, other than Direct Online Applications, the Designated Branches of the SCSBs 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 the Designated Intermediaries 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
 - Number of NCDs applied for
 - Price per NCD
 - Bank code for the SCSB where the ASBA Account is maintained
 - Location
 - 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 Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries 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 83 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 Lead Managers, Designated Intermediaries 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, 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.

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) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (ii) Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicant's ASBA Account maintained with an SCSB;
- (iii) Applications not being signed by the sole/joint Applicant(s);
- (iv) Investor Category in the Application Form not being ticked;
- (v) Application Amount blocked being higher or lower 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;

- (vi) Applications where a registered address in India is not provided for the Applicant;
- (vii) In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s);
- (viii) Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- (ix) 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;
- (x) DP ID and Client ID not mentioned in the Application Form;
- (xi) GIR number furnished instead of PAN;
- (xii) Applications by OCBs;
- (xiii) Applications for an amount below the minimum application size;
- (xiv) Submission of more than five Application per ASBA Account;
- (xv) Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
- (xvi) Applications under power of attorney or by limited companies, corporate, trust etc., submitted without relevant documents;
- (xvii) Applications accompanied by Stockinvest/ cheque/ money order/ postal order/ cash;
- (xviii) 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);
- (xix) Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
- (xx) Date of birth for first/sole Applicant (in case of Category III) not mentioned in the Application Form.
- (xxi) Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant
- (xxii) Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;
- (xxiii) Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediaries, as the case may be;
- (xxiv) Applications not having details of the ASBA Account to be blocked;
- (xxv) 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;
- (xxvi) Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- (xxvii) SCSB making an 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;
- (xxviii) Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;
- (xxix) Authorization to the SCSB for blocking funds in the ASBA Account not provided;
- (xxx) Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- (xxxi) Applications by any person outside India;
- (xxxii) Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;
- (xxxiii) Applications not uploaded on the online platform of the Stock Exchanges;
- (xxxiv) Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable;
- (xxxv) Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Shelf Prospectus and as per the instructions in the Application Form, the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus;
- (xxxvi) 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;
- (xxxvii) Where PAN details in the Application Form and as entered into the electronic system of the Stock

- Exchanges, are not as per the records of the Depositories;
- (xxxviii) Applications providing an inoperative demat account number;
- (xxxix) Applications submitted to the Designated Intermediaries, at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and Applications submitted directly to the Public Issue Account Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- (xl) Category not ticked;
- (xli) Forms not uploaded on the electronic software of the Stock Exchanges; and/or
- (xlii) 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.

Kindly note that Applications submitted to the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries 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 Exchanges, Members of the Syndicate, Designated Intermediaries, as the case may be, to deposit Applications.

Mode of making refunds

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within 5 (five) Working Days of the Tranche I Issue Closing Date.

Our Company and the Registrar shall credit the allotted NCDs to the respective beneficiary accounts, within 5 (five) Working Days from the Tranche I Issue Closing Date.

Further,

- (a) Allotment of NCDs in the Issue shall be made within a time period of 4 (four) Working Days from the Tranche I Issue Closing Date;
- (b) Credit to dematerialised accounts will be given within one Working Day from the Date of Allotment;
- (c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund has not been effected within 5 (five) Working Days from the Tranche I Issue Closing Date, for the delay beyond 5 (five) Working Days; and
- (d) Our Company will provide adequate funds to the Registrar for this purpose.

Retention of oversubscription

The base issue size of this Tranche I Issue is ₹ 1,000 million. Our Company shall have the option to retain oversubscription up to ₹ 19,000 million, aggregating to ₹ 20,000 million.

Basis of Allotment

The Registrar to the Issue will aggregate the Applications based on the Applications received through an electronic book from the Stock Exchange and determine the valid Applications for the purpose of drawing the Basis of Allotment. 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:

- 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 Secured NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of Secured NCDs to be allotted over and above the Base Issue, in case our Company opts to retain any oversubscription in a Tranche Issue upto an amount specified under this Tranche I Prospectus. The aggregate value of NCDs decided to be allotted over and above the Base Issue, (in case our Company opts to retain any oversubscription in any Tranche I Issue), and/or the aggregate value of NCDs upto the Base Issue Size shall be collectively termed in this Tranche I Prospectus.

Basis of Allotment of Secured NCDs

Allocation Ratio:

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

- (a) Allotments in the first instance:
- (i) Applicants belonging to the Institutional Portion, in the first instance, will be allocated Secured NCDs upto 10% of Overall Tranche I Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- (ii) Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated Secured NCDs upto 10% of Overall Tranche I Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- (iii) Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated Secured NCDs upto 40% of Overall Tranche I Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- (iv) Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated Secured NCDs upto 40% of Overall Tranche I Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchange, in each Portion subject to the Allocation Ratio indicated at the section titled "*Issue Procedure – Basis of Allotment – Allotments in the first instance*" at page 86.

As per the SEBI circular dated October 29, 2013, the allotment in this Tranche I Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

- (b) Under Subscription: If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and

balance, if any, shall be first made to applicants of the Non Institutional Portion, followed by the Institutional Portion on a first come first serve basis, on proportionate basis.

- (c) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchange would be treated at par with each other. Allotment would be on proportionate basis, where Secured NCDs uploaded into the platform of the Stock Exchange on a particular date exceeds Secured NCDs to be Allotted for each portion respectively.
- (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) 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 Secured 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 Secured 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 Exchange, in each Portion).
- (f) Proportionate Allotments: For each Portion, on the date of oversubscription:
 - (i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.
 - (ii) If the process of rounding off to the nearest integer results in the actual allocation of Secured NCDs being higher than the Tranche I Issue size, not all Applicants will be allotted the number of Secured 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.
- (g) Applicant applying for more than one Options of Secured NCDs: If an Applicant has applied for more than one Option 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 Option-wise allocation of Secured NCDs to such Applicants shall be in proportion to the number of Secured NCDs with respect to each Options, 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 six Options and in case such Applicant cannot be allotted all the 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 38 months followed by Allotment of Secured NCDs with tenor of 60 months.
- (h) 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 Option III 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 (Option I, Option II, Option III, Option IV, Option V or Option VI).

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 the Tranche I Issue Closing Date.

Pre-closure: Our Company, in consultation with the Lead Managers reserves the right to close the Tranche I Issue at any time prior to the Tranche I Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue i.e. ₹ 750 million before the Tranche I Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the Tranche I Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue, i.e., INR 750 Million, 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 relevant 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 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 for commencement of trading at the Stock Exchanges 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 6 (six) Working 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 15% 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.

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 Designated Intermediaries/the Designated branch of 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 Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries and/or 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.

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) Tripartite Agreements dated December 8, 2010, and letter of extension dated March 14, 2011 and August 25, 2006, between us, the Registrar and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
- (ii) An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
- (iii) The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.
- (iv) Secured 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 will be directly sent to the Applicant by the Registrar to this Issue.
- (vi) It may be noted that Secured NCDs in electronic form can be traded only on the Stock Exchanges 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 Secured NCDs held in dematerialized form would be paid to those Secured 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 Secured 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 Secured NCDs on the floor of the Stock Exchanges shall be in dematerialized form only.

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

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

Allottees will have the option to re-materialize the Secured NCDs Allotted under the Tranche I 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 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 Designated Intermediaries, 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 and Company Secretary or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice 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 Exchanges.

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 Secured 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 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 Issue proceeds only upon allotment of the Secured 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, i.e., INR 750 Million, and receipt of listing and trading approval from the Stock Exchanges.
- (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) The allotment letter shall be issued, or Application Amount shall be unblocked within 6 Working Days from the closure of the Issue or such lesser time as may be specified by SEBI, or else the Application Amount shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;

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 Secured NCDs are outstanding;
- (c) Our Company will take necessary steps for the purpose of getting the Secured NCDs listed within the specified time, i.e., within 6 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 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 Tranche I Issue as contained in this Tranche I Prospectus.

Our Company will disclose the complete name and address of the Debenture Trustee in its annual report

Utilisation of Application Amounts

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

Impersonation

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

“Any person who:

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

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

(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under section 447.”

Listing

The NCDs proposed to be offered in pursuance of the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus will be listed on the BSE. The application for listing of the NCDs will be made to the Stock Exchange at an appropriate stage.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Tranche I Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 6 (six) Working Days from the date of closure of the Tranche I Issue.

For the avoidance of doubt, it is hereby clarified that in the event of non subscription to any one or more of the Options, such NCDs with Option(s) shall not be listed.

Guarantee/Letter of Comfort

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

SECTION IV: LEGAL AND OTHER INFORMATION

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Tranche I Issue

At the meeting of the Board of Directors of our Company, held on February 14, 2020, the Directors approved the issuance to the public of Secured NCDs and unsecured redeemable non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 60,000 millions.

The present issue through this Tranche I Prospectus of Secured NCDs is for an amount upto ₹ 40,000 million (“**Shelf Limit**”), hereinafter called the “Issue” is approved by NCD Committee meeting dated September 30, 2020.

The present Tranche I Issue through this Tranche I Prospectus of Secured NCDs for an amount up to ₹ 1,000 million, with an option to retain oversubscription up to an amount of ₹ 19,000 million, aggregating up to ₹ 20,000 million, was approved by the NCD Committee at its meeting dated October 22, 2020.

Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders’ vide their resolution dated September 30, 2020.

Prohibition by SEBI

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

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

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, EDELWEISS FINANCIAL SERVICES LIMITED, JM FINANCIAL LIMITED, EQUITUS CAPITAL PRIVATE LIMITED AND A. K. CAPITAL SERVICES LIMITED* CONFIRM THAT COMMENTS RECEIVED ON THE DRAFT SHELF PROSPECTUS HAVE BEEN SUITABLY ADDRESSED BEFORE FILING THE SHELF PROSPECTUS AND TO THIS EFFECT HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED OCTOBER 22, 2020 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 Prospectus and certify that any material development in the Tranche I issue or relating to the Tranche I issue up to the commencement of listing and trading of the NCDs offered through the Tranche I issue shall be informed through public notices/advertisements in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Tranche I issue 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.
4. We also confirm that all relevant provisions of the Companies Act, 2013, Securities Contracts (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 and the rules, regulations, guidelines, circulars issued thereunder are complied with.
5. We, Edelweiss Financial Services Limited, JM Financial Limited and Equirus Capital Private Limited confirm that no comments/complaints were received on the Draft Shelf Prospectus dated September 30, 2020 filed with BSE Limited, being the designated stock exchange.*

**We, A. K. Capital Services Limited, state that on account of the Issuer appointing us as a Lead Manager to the Issue after the expiry of 7 (seven) working days from the date of filing of the Draft Shelf Prospectus on September 30, 2020 with the BSE Limited, we are unable to confirm as regards the receipt of any comments/complaints on the Draft Shelf Prospectus.*

Disclaimer Clause of the BSE

BSE Limited ("the Exchange") has given, vide its approval letter dated October 16, 2020 permission to this Company to use the Exchange's name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed. The Exchange has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- a) warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- b) warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- c) take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by the Exchange. Every person who desires to apply for, or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by any reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED DECEMBER 12, 2008 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.

Listing

Application will be made to the BSE simultaneously with the filing of this Tranche I Prospectus for permission to deal in and for official quotation in NCDs. If permission to deal in and for an official quotation of our NCDs is not granted by the BSE, our Company will forthwith repay, without interest, all monies received from the applications in pursuance of this Tranche I Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the stock exchange mentioned above are taken within 6 Working Days from the date of closure of the Issue.

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

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
JM Financial Limited	www.jmfl.com
Equirus Capital Private Limited	www.equirus.com
A. K. Capital Services Limited	www.akgroup.co.in

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) Credit Rating Agencies, (h) the Debenture Trustee, (i) ICRA Analytics Limited for the inclusion of the industry report; (j) Lead Brokers; (k) Public Issue Bank; (l) Refund Bank; and (m) Statutory Auditor; (k) lenders of the Company to act in their respective capacities, have been obtained and the same will be filed along with a copy of the Shelf Prospectus and Tranche I Prospectus with the ROC, stock exchange and SEBI.

The consent of the Statutory Auditors of our Company, namely Varma & Varma, Chartered Accountants for (a) inclusion of their names as the Statutory Auditors, (b) examination reports on Reformatted Financial Information in the form and context in which they appear in this Tranche I Prospectus, (c) the statement of tax benefits available to the debenture holders in the form and context in which they appear in this Tranche I Prospectus; and (d) report on limited review of unaudited standalone and consolidated financials for the quarter ended June 30, 2020 have been obtained and has not withdrawn such consent and the same will be filed along with a copy of the Shelf Prospectus and this Tranche I Prospectus with the ROC, stock exchange and SEBI.

Expert Opinion

Except the (i) Examination reports on Reformatted Financial Information in the form and context in which they appear in the Shelf Prospectus; (ii) Auditors report, on limited review of the unaudited standalone and consolidated financial results for the quarter and three months ended June 30, 2020 issued by Varma & Varma, Chartered Accountants dated August 19, 2020 and Statement of Tax Benefits issued by Varma & Varma, Chartered Accountants dated October 19, 2020; and (iii) IMA CS Industry Report-Gold Loan Market in India 2019, IMA CS Industry Report-Gold Loan Market in India 2018 and IMA CS Industry Report-Gold Loan Market in India 2017, the Company has not obtained any expert opinions.

Common form of Transfer

All trading / transfers of Securities will only be in Demat form and as per the provisions of the Companies Act, 2013 applicable as on the date of this Tranche I Prospectus 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, i.e., INR 750 Million. If our Company does not receive the minimum subscription of 75% of the Base Issue within the prescribed timelines

under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within the timelines prescribed under Applicable Law. In the event, there is a delay, by our Company in making the aforesaid refund within the prescribed time limit, our Company will pay interest at the rate of 15% 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 circular (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 Designated Stock Exchange in terms of Regulation 7 of the SEBI Debt Regulation for dissemination on their website and the SEBI.

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

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

Investment in relation to maturing debentures

Section 71 of the Companies Act, 2013, read with Rule 18 made under Chapter IV of the Companies Act, 2013, requires that any listed company that intends to issue debentures to the public must, on or before the 30th day of April of each year, in respect of such publicly issued debentures, invest an amount not less than 15% of the amount of the debentures maturing during the financial year which is ending on the 31st day of March of the next year, in any one or more of the following methods: (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 under section 20 of the Indian Trusts Act, 1882; or (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. Such invested amount shall not be used for any purpose other than for redemption for debentures maturing during the financial year which is ending on the 31st day of March of the next year. Further, the invested amount shall not, at any time, fall below 15% of the amount of the debentures maturing in such financial year.

Issue Related Expenses

The expenses for each Tranche 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 breakdown of the total expenses for the Tranche I Issue is as follows:

		(₹ in million)
Activity	Expenses	
Fees to intermediaries (Lead Management Fee, brokerage, rating agency, registrar, legal advisors, Debenture Trustees etc.)	150	
Advertising and Marketing Expenses	30	
Printing and Stationery	20	
Total	200	

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.

Underwriting

The Tranche I Issue shall not be underwritten.

Identification as wilful defaulter

Neither our Company nor any Promoter or Director is a wilful defaulter identified by the RBI/ECGC or any other governmental authority and/or by any bank or financial institution nor in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months.

Reservation

No portion of this Issue has been reserved.

Details regarding the Company and other listed companies under the same management within the meaning of section 370(1B) of the Companies Act, 1956, which made any capital issue during the last three years

On May 03, 2011, our Company issued and allotted 51,500,000 equity shares at a price of ₹ 175 per such Equity Share, amounting to an aggregate of ₹ 9,012,500,000 pursuant to an initial public offer under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations**”) which opened on April 18, 2011 and closed on April 21, 2011. The electronic credit of the equity shares to investors pursuant to the initial public offer was completed on May 04, 2011.

On April 29, 2014, our Company issued and allotted 25,351,062 Equity Shares at a price of ₹ 165 per Equity Share, amounting to an aggregate of ₹ 4,182.93 million pursuant to an institutional placement programme under Chapter VIII – A of the SEBI ICDR Regulations which opened and closed on April 25, 2014. The electronic credit of the Equity Shares to investors pursuant to the institutional placement programme was completed on April 29, 2014. There are no listed companies under the same management within the meaning of Section 370(1) (B) of the Companies Act, 1956.

On January 06, 2015, ESOP Committee of Board of Directors of our company has allotted 6,48,581 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 4,85,181 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 163,400 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On March 06, 2015, ESOP Committee of Board of Directors of our company has allotted 2,54,008 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 1,68,960 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 85,048 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On June 4, 2015, ESOP Committee of Board of Directors of our company has allotted 33,541 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 21,641 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 11,900 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On September 15, 2015, the ESOP Committee of Board of Directors of the Company has allotted 44,036 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 9,394 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 34,642 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On March 16, 2016, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 9,58,336 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 6,02,106 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 3,56,230 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On June 27, 2016, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 48,602 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 23,782 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 24,820 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On December 21, 2016, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 404,805 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise of 12,525 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 392,280 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On March 23, 2017, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 19,810 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 19,810 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On May 09, 2017, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 60,747 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 3,512 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 57,235 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On August 07, 2017, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 30,393 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 4,113 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 26,280 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On December 11, 2017, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 347,225 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 2,575 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 344,650 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On March 29, 2018, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 127,325 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 3,225 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 124,100 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On May 15, 2018, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 50,205 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 1,925 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 48,280 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On September 19, 2018, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 120,327 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 3,237 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 117,090 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On December 18, 2018, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 371,510 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 2,125 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 369,385 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On February 20, 2019, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 45,080 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 45,080 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On March 23, 2019, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 32,955 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 32,955 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On June 21, 2019, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 41,080 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 41,080 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On August 24, 2019, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 35,505 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 100 options of

₹ 10/- each for Loyalty Options (face value ₹ 10 each) and 30,405 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On October 28, 2019, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 131,580 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 475 options of ₹ 10 for Loyalty Options (face value ₹ 10 each) and 131,105 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On December 31, 2019, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 104,220 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise of 500 options of ₹ 10 for Loyalty Options (face value ₹ 10 each) and 103,720 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by the Employees of the Company.

On March 14, 2020, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 68,625 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 68,625 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On July 18, 2020, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 41,210 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise of 200 options of ₹ 10 for Loyalty Options (face value ₹ 10 each) and 41,010 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by the Employees of the Company.

On September 29, 2020, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 93,680 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise of 93,680 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by the Employees of the Company.

Public/ Rights Issues

On May 03, 2011, our Company issued and allotted 51,500,000 Equity Shares at a price of ₹ 175 per Equity Share, amounting to an aggregate of ₹ 9,012,500,000 pursuant to an initial public offer under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations**”) which opened on April 18, 2011 and closed on April 21, 2011. The electronic credit of the Equity Shares to investors pursuant to the initial public offer was completed on May 04, 2011.

On September 14, 2011, our Company issued and allotted 6.93 million secured, redeemable non-convertible debentures (“**PL- I NCDs**”) at a price of ₹ 1,000 per PL- I NCD, amounting to an aggregate of ₹ 6,932.81 million pursuant to a public offer under the SEBI Debt Regulations which opened on August 23, 2011 and closed on September 05, 2011. The electronic credit of the PL-I NCDs to investors pursuant to this public offer was completed on September 16, 2011.

On January 18, 2012, our Company issued and allotted 4.59 million secured, redeemable non-convertible debentures (“**PL- II NCDs**”) at a price of ₹ 1,000.00 per PL- II NCD, amounting to an aggregate of ₹ 4,593.20 million pursuant to a public offer under the SEBI Debt Regulations which opened on December 22, 2011 and closed on January 07, 2012. The electronic credit of the PL-II NCDs to investors pursuant to this public offer was completed on January 19, 2012.

On April 18, 2012, our Company issued and allotted 2.60 million secured, redeemable non-convertible debentures (“**PL- III NCDs**”) at a price of ₹ 1,000.00 per PL- III NCD, amounting to an aggregate of ₹ 2,597.52 million pursuant to a public offer under the SEBI Debt Regulations which opened on March 02, 2012 and closed on April 09, 2012. The electronic credit of the PL-III NCDs to investors pursuant to this public offer was completed on April 19, 2012.

On November 01, 2012, our Company issued and allotted 2.75 million secured, redeemable non-convertible debentures (“**PL- IV NCDs**”) at a price of ₹ 1,000.00 per PL- IV NCD, amounting to an aggregate of ₹ 2,749.40 million pursuant to a public offer under the SEBI Debt Regulations which opened on September 17, 2012 and closed on October 22, 2012. The electronic credit of the PL-IV NCDs to investors pursuant to this public offer was completed on November 02, 2012.

On September 25, 2013, our Company issued and allotted 2.79 million secured, redeemable non-convertible debentures and 0.21 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL- V NCDs**”) at a price of ₹ 1,000.00 per PL- V NCD, amounting to an aggregate of ₹ 3,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on September 02, 2013 and closed on September 16, 2013. The electronic credit of the PL-V NCDs to investors pursuant to this public offer was completed on September 26, 2013.

On December 04, 2013, our Company issued and allotted 2.77 million secured, redeemable non-convertible debentures and 0.23 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL- VI NCDs**”) at a price of ₹ 1,000.00 per PL- VI NCD, amounting to an aggregate of ₹ 3,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on November 18, 2013 and closed on November 25, 2013. The electronic credit of the PL-VI NCDs to investors pursuant to this public offer was completed on December 05, 2013.

On February 04, 2014, our Company issued and allotted 4.56 million secured, redeemable non-convertible debentures and 0.44 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL- VII NCDs**”) at a price of ₹ 1,000.00 per PL- VII NCD, amounting to an aggregate of ₹ 5,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on December 27, 2013 and closed on January 27, 2014. The electronic credit of the PL-VII NCDs to investors pursuant to this public offer was completed on February 05, 2014.

On April 02, 2014, our Company issued and allotted 1.79 million secured, redeemable non-convertible debentures and 0.19 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL- VIII NCDs**”) at a price of ₹ 1,000.00 per PL- VIII NCD, amounting to an aggregate of ₹ 1,979.28 million pursuant to a public offer under the SEBI Debt Regulations which opened on March 10, 2014 and closed on March 21 2014. The electronic credit of the PL-VIII NCDs to investors pursuant to this public offer was completed on April 03, 2014.

On April 29, 2014, our Company issued and allotted 25,351,062 Equity Shares at a price of ₹ 165 per Equity Share, amounting to an aggregate of ₹ 4,182.93 million pursuant to an institutional placement programme under Chapter VIII – A of the SEBI ICDR Regulations which opened and closed on April 25, 2014. The electronic credit of the Equity Shares to investors pursuant to the institutional placement programme was completed on April 29, 2014.

On July,04, 2014, our Company issued and allotted 4.29 million secured, redeemable non-convertible debentures and 0.36 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-IX NCDs**”) at a price of ₹ 1,000.00 per PL-IX NCD, amounting to an aggregate of ₹ 4,661.94 million pursuant to a public offer under the SEBI Debt Regulations which opened on May 26, 2014 and closed on June 26 2014. The electronic credit of the PL-IX NCDs to investors pursuant to this public offer was completed on July 07, 2014.

On September, 26, 2014, our Company issued and allotted 3.67 million secured, redeemable non-convertible debentures and 0.30 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-X NCDs**”) at a price of ₹ 1,000.00 per PL-X NCD, amounting to an aggregate of ₹ 3,977.82 million pursuant to a public offer under the SEBI Debt Regulations which opened on August 18, 2014 and closed on September 18 2014. The electronic credit of the PL-X NCDs to investors pursuant to this public offer was completed on September 30 2014.

On December 29, 2014, our Company issued and allotted 3.61 million secured, redeemable non-convertible debentures and 0.39 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XI NCDs**”) at a price of ₹ 1,000.00 per PL-XI NCD, amounting to an aggregate of ₹ 4,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on November 19, 2014 and closed on December 18, 2014. The electronic credit of the PL-XI NCDs to investors pursuant to this public offer was completed on December 31, 2014.

On April 23, 2015, our Company issued and allotted 2.71 million secured, redeemable non-convertible debentures and 0.29 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XII NCDs**”) at a price of ₹ 1,000.00 per PL-XII NCD, amounting to an aggregate of ₹ 3,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on March 25, 2015 and closed on April 15, 2015. The electronic credit of the PL-XII NCDs to investors pursuant to this public offer was completed on April 27, 2015.

On October 14, 2015, our Company issued and allotted 4.64 million secured, redeemable non-convertible debentures and 0.36 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XIII NCDs**”) at a price of ₹ 1,000.00 per PL-XIII NCD, amounting to an aggregate of ₹ 5,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on September 07, 2015 and closed on October 05, 2015. The electronic credit of the PL-XIII NCDs to investors pursuant to this public offer was completed on October 15, 2015.

On January 20, 2016, our Company issued and allotted 4.15 million secured, redeemable non-convertible debentures and 0.23 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XIV NCDs**”) at a price of ₹ 1,000.00 per PL-XIV NCD, amounting to an aggregate of ₹ 4385.24 million pursuant to a public offer under the SEBI Debt Regulations which opened on December 07, 2015 and closed on January 11, 2016. The electronic credit of the PL-XIV NCDs to investors pursuant to this public offer was completed on January 22, 2016.

On May 12, 2016, our Company issued and allotted 4.76 million secured, redeemable non-convertible debentures and 0.24 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XV NCDs**”) at a price of ₹ 1,000.00 per PL-XV NCD, amounting to an aggregate of ₹ 5000.00 million pursuant to a public offer under the SEBI Debt Regulations which opened on April 04, 2016 and closed on May 03, 2016. The electronic credit of the PL-XV NCDs to investors pursuant to this public offer was completed on May 13, 2016.

On January 30, 2017, our Company issued and allotted 13.00 million secured, redeemable non-convertible debentures and 0.31 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XVI NCDs**”) at a price of ₹ 1,000.00 per PL-XVI NCD, amounting to an aggregate of ₹ 13317.76 million pursuant to a public offer under the SEBI Debt Regulations which opened on January 17, 2017 and closed on January 18, 2017. The electronic credit of the PL-XVI NCDs to investors pursuant to this public offer was completed on January 31, 2017.

On April 24, 2017, our Company issued and allotted 19.50 million secured, redeemable non-convertible debentures and 0.19 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XVII NCDs**”) at a price of ₹ 1,000.00 per PL-XVII NCD, amounting to an aggregate of ₹ 19,687.17 million pursuant to a public offer under the SEBI Debt Regulations which opened on April 11, 2017 and closed on April 12, 2017. The electronic credit of the PL-XVII NCDs to investors pursuant to this public offer was completed on April 25, 2017.

On April 19, 2018, our Company issued and allotted 30.00 million secured, redeemable non-convertible debentures (“**PL-XVIII NCDs**”) at a price of ₹ 1,000.00 per PL-XVIII NCD, amounting to an aggregate of ₹ 30,000.00 million pursuant to a public offer under the SEBI Debt Regulations which opened on April 09, 2018 and closed on April 10, 2018. The electronic credit of the PL-XVIII NCDs to investors pursuant to this public offer was completed on April 20, 2018.

On March 20, 2019, our Company issued and allotted 7.09 million secured, redeemable non-convertible debentures (“**PL-XIX NCDs**”) at a price of ₹ 1,000.00 per PL-XIX NCD, amounting to an aggregate of ₹ 7,094.57 million pursuant to a public offer under the SEBI Debt Regulations which opened on February 14, 2019 and closed on March 14, 2019. The electronic credit of the PL-XIX NCDs to investors pursuant to this public offer was completed on March 20, 2019.

On June 14, 2019, our Company issued and allotted 8.52 million secured, redeemable non-convertible debentures (“**PL-XX NCDs**”) at a price of ₹ 1,000.00 per PL-XX NCD, amounting to an aggregate of ₹ 8,517.01 million pursuant to a public offer under the SEBI Debt Regulations which opened on May 10, 2019 and closed on June 10, 2019. The electronic credit of the PL-XX NCDs to investors pursuant to this public offer was completed on June 14, 2019.

On November 01, 2019, our Company issued and allotted 4.60 million secured, redeemable non-convertible debentures (“**PL-XXI NCDs**”) at a price of ₹ 1,000.00 per PL-XXI NCD, amounting to an aggregate of ₹ 4,598.23 million pursuant to a public offer under the SEBI Debt Regulations which opened on September 27, 2019 and closed on October 25, 2019. The electronic credit of the PL-XXI NCDs to investors pursuant to this public offer was completed on November 01, 2019.

On December 27, 2019, our Company issued and allotted 7.90 million secured, redeemable non-convertible debentures (“**PL-XXII NCDs**”) at a price of ₹ 1,000.00 per PL-XXII NCD, amounting to an aggregate of ₹ 7,900.00 million pursuant to a public offer under the SEBI Debt Regulations which opened on November 29, 2019 and closed on December 24, 2019. The electronic credit of the PL-XXII NCDs to investors pursuant to this public offer was completed on December 27, 2019.

Public Issue of Secured Redeemable Non-Convertible Debentures by Muthoot Homefin (India) Limited

On May 13, 2019, Muthoot Homefin (India) Limited issued and allotted 2.84 million secured, redeemable non-convertible debentures at a price of ₹ 1,000.00, amounting to an aggregate of ₹ 2,837.84 million pursuant to a public offer under the SEBI Debt Regulations which opened on April 08, 2019 and closed on May 07, 2019. The electronic credit of the NCDs to investors pursuant to this public offer was completed on May 13, 2019.

Public Issue of Secured Redeemable Non-Convertible Debentures by Muthoot Vehicle & Asset Finance Limited

On March 17, 2020, Muthoot Vehicle & Asset Finance Limited issued and allotted 2.00 million secured, redeemable non-convertible debentures at a price of ₹ 1,000.00, amounting to an aggregate of ₹ 2000.00 million pursuant to a public offer under the SEBI Debt Regulations which opened on February 25, 2020 and closed on March 11, 2020. The electronic credit of the NCDs to investors pursuant to this public offer was completed on March 17, 2020.

Previous Issue

Except as stated in the sections titled “*Capital Structure*” and “*Disclosures on existing financial indebtedness*” on pages 52 and 147 of the Shelf Prospectus respectively, our Company has not made any other issue of non-convertible debentures.

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

Utilisation details of Previous Issues

S.No	Instrument	Issue Date	Open Date	Allotment date	Gross proceeds raised through the Issue (Rs.in Million)	Issue Related Expenses (Rs. In Million)	Net proceeds of the issue after deducting the issue related expenses (Rs.in Million)	Objects of the Issue as per respective Prospectus	Net Utilisation of Proceeds
1.	Equity Shares	18/04/2011		03/05/2011	9012.50	151.30	8861.20	The Proceeds raised through the issue after meeting issue related expenses will be utilised to augment our capital base to meet future capital requirements to provide for funding of loans to our customers and general corporate purposes	Fully utilised according to the objects of the issue
2.	Secured, redeemable non-convertible debentures	23/08/2011		14/09/2011	6932.81	127.70	6805.11	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our	Fully utilised according to the objects of the issue

							capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	
3.	Secured, redeemable non-convertible debentures	22/12/2011	18/01/2012	4593.20	75.10	4518.10	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
4.	Secured, redeemable non-convertible debentures	02/03/2012	18/04/2012	2597.52	36.30	2561.22	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
5.	Secured, redeemable non-convertible debentures	17/09/2012	01/11/2012	2749.40	36.45	2712.95	The funds raised through this Issue will be utilised for our various financing activities	Fully utilised according to the objects of

							including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	the issue
6.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	02/09/2013	25/09/2013	3000.00	25.25	2974.75	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
7.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	18/11/2013	04/12/2013	3000.00	24.60	2975.40	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject	Fully utilised according to the objects of the issue

							to applicable statutory/regulatory requirements.	
8.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	27/12/2013	04/02/2014	5000.00	35.78	4964.22	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
9.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	10/03/2014	02/04/2014	1979.28	14.76	1964.52	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
10.	Equity Shares	25/04/2014	29/04/2014	4182.93	45.76	4137.17	The Proceeds raised through the issue after meeting issue related expenses will be utilised to augment the long term resources by way of enhancing the capital base to meet future capital requirements and provide funding for loans to the customers of our Company and for	Fully utilised according to the objects of the issue

							general corporate purposes.	
11.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	26/05/2014	04/07/2014	4661.94	13.61	4648.33	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
12.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	18/08/2014	26/09/2014	3977.82	10.39	3967.43	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
13.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	19/11/2014	29/12/2014	4000.00	9.46	3990.54	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
14.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	25/03/2015	23/04/2015	3000.00	7.02	2992.98	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate	Fully utilised according to the objects of the issue

							Purposes- 25% of the amount raised and allotted in the Issue	
15.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	07/09/2015	14/10/2015	5000.00	11.98	4988.02	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
16.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	11/12/2015	20/01/2016	4385.24	11.43	4373.81	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
17.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	04/04/2016	12/05/2016	5000.00	12.71	4987.29	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
18.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	17/01/2017	30/01/2017	13317.76	184.05	13133.71	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
19.	Secured, redeemable non-convertible debentures &	11/04/2017	23/04/2017	19687.17	246.94	19440.23	The proceeds raised through the issue after meeting issue related expenses will be utilised as below.	Fully utilised according to the objects of the issue

	Unsecured, redeemable non-convertible debentures						a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	
20.	Secured, redeemable non-convertible debentures	09/04/2018	19/04/2018	30000.00	441.08	29558.92	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
21.	Secured, redeemable non-convertible debentures	14/02/2019	20/03/2019	7094.57	39.99	7054.58	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
22.	Secured, redeemable non-convertible debentures	10/05/2019	14/06/2019	8,517.01	47.06	8,469.95	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
23.	Secured, redeemable non-convertible debentures	27/09/2019	01/11/2019	4598.23	21.68	4,576.55	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue

24.	Secured, redeemable non-convertible debentures	29/11/2019	27/12/2019	7900.00	52.78	7,847.22	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
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Details regarding lending out of issue proceeds of Previous Issues

A. *Lending Policy*

Please refer to the paragraph titled ‘Gold Loan Business’ under Chapter ‘*Our Business*’ at page 96 of this Tranche I Prospectus.

B. *Loans given by the Company*

Company has not provided any loans/advances to associates, entities/persons relating to Board, senior management or Promoters out of the proceeds of Previous Issues. The Company has not provided any loans/advances to “Group” entities out of the proceeds of Previous Issues.

C. *Types of loans*

The loans given by the Company out of the proceeds of Previous Issues are loans against security of gold jewelry which are given primarily to individuals.

Types of loan given by the Company as on March 31, 2020 are as follows:

S. No	Type of loans	Amount (Rs in millions)
1	Secured	408,101.33
2	Unsecured	8,004.72
	Total	416,106.05
	Add: EIR Impact	15,362.87
	Total	431,468.92
	Less: ECL Provision	5,427.19
	Loan assets as per Balance sheet	426,041.73

- Note: The loans given by the Company out of the proceeds of Previous Issues are loans against security of gold jewelry which are given primarily to individuals.

Denomination of loans outstanding by ticket size as on March 31, 2020

S. No	Ticket size	Percentage of AUM
1	Upto Rs. 2 lakh	57.62%
2	Rs. 2-5 lakh	24.59%
3	Rs. 5-10 lakh	10.83%
4	Rs. 10-25 lakh	5.76%
5	Rs. 25-50 lakh	0.91%
6	Rs. 50 lakh-1 crore	0.23%
7	Rs. 1-5 crore	0.06%
8	Rs. 5-25 crore	0.00%
9	Rs. 25-100 crore	0.00%
10	>Rs. 100 crore	0.00%
		100.00%

Denomination of loans outstanding by LTV as on March 31, 2020

S. No	LTV	Percentage of AUM
1	Upto 40%	3.27%
2	40-50%	6.86%
3	50-60%	24.02%
4	60-70%	55.16%
5	70-80%	10.69%
6	80-90%	0.00 %
7	>90%	0.00%
	Total	100.00%

Geographical classification of borrowers as on March 31, 2020

S. No.	Top 5 states	Percentage of AUM
1	Tamil Nadu	15.23 %
2	Karnataka	12.99 %
3	Telangana	9.07 %
4	Andhra Pradesh	8.91 %
5	Delhi	7.72 %
	Total	53.92%

Types of loans according to sectorial exposure as on March 31, 2020 is as follows:

S. No	Segment- wise breakup of AUM	Percentage of AUM
1	Retail	
a	Mortgages (home loans and loans against property)	
b	Gold Loans	97.99%
c	Vehicle Finance	
d	MFI	
e	M &SME	
f	Capital market funding (loans against shares, margin funding)	
g	Others	2.01%
2	Wholesale	
a	Infrastructure	
b	Real estate (including builder loans)	
c	Promoter funding	
d	Any other sector (as applicable)	
e	Others	
	Total	100.00%

Maturity profile of total loan portfolio of the Company as on March 31, 2020 is as follows:

Period	Amount (Rs in millions)
Less than 1 month	83,596.71
1-2 month	62,997.01
2-3 month	51,582.48
3-6 month	118,368.63
6 month -1 year	105,005.71
Above 1 year	10,131.56
Total	431,682.11
Less: Non sensitive to ALM	5,640.38
Total loans as per balance sheet	426,041.73

Note: Contracted tenor of gold loan is maximum of 12 months. However, on account of high incidence of prepayment before contracted maturity, the above maturity profile has been drawn up on the basis of historical pattern of repayments. In case of loans other than gold loan, the maturity profile is based on contracted maturity.

D. Aggregated exposure to top 20 borrowers with respect to concentration of advances as on March 31, 2020

	Amount (Rs in Million)
Total Advances to twenty largest borrowers	4,556.70

Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	1.10%
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E. Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2020

	Amount (Rs in Million)
Total Exposures to twenty largest borrowers/Customers	4,556.70
Percentage of Exposures to twenty largest borrowers/Customers to Total Advances of the NBFC on borrowers/Customers	1.10%

F. Details of loans overdue and classified as stage 3 loan assets in accordance with Indian Accounting Standards.

Movement of gross Stage 3 loan assets* (FY 2019-20)	Amount (Rs in Million)
(a) Opening balance	9,326.00
(b) Additions during the year	8,487.39
(c) Reductions during the year	8,821.86
(d) closing balance	8,991.54

* Please refer paragraph titled "Changes in Asset Classification & Provision Policy from Financial Year 2019 under IND AS" under chapter "Our Business" at page 96 of the Shelf Prospectus for details on classification of loan assets as Stage 3 loan assets.

Movement of provisions for Stage 3 loan assets (FY 2019-20)	Amount (Rs in Million)
(a) Opening balance	1,294.96
(b) Provisions made during the year	-
(c) Write-off / write -back of excess provisions	339.36
(d) closing balance	955.60

G. Segment –wise gross Stage 3 loan assets as on March 31, 2020

S. no	Segment- wise breakup of gross Stage 3 loan assets	Gross Stage 3 loan assets (%)
1	Retail	
a	Mortgages (home loans and loans against property)	
b	Gold Loans	98.63%
c	Vehicle Finance	
d	MFI	
e	M &SME	
f	Capital market funding (loans against shares, margin funding)	
g	Others	1.37%
2	Wholesale	
a	Infrastructure	
b	Real estate (including builder loans)	
c	Promoter funding	
d	Any other sector (as applicable)	
e	Others	
	Total	100.00%

H. Classification of borrowings as on March 31, 2020

S. No	Type of Borrowings	Amount (Rs in Million)	Percentage
1	Secured	321,439.92	86.35%
2	Unsecured	50,823.40	13.65 %
	Total	372,263.32	100.00%
	Less:EIR Impact on transaction cost	962.90	
	Total borrowings as per Balance Sheet	371,300.42	

I. Promoter Shareholding

There is no change in promoter holdings in the Company beyond the threshold level stipulated at 26% during the last financial year.

J. Residual maturity profile of assets and liabilities as on March 31, 2020

(Rs in Millions)

As at 31.03.2020	1 to 7 days	8 to 14 days	15 days to 30/31 days	Over 1 month	Over 2 month s	Over 3 months	Over 6 months	Over 1 year	over 3 to 5	Over 5	Non sensit ive to ALM **	Total
				to 2 month s	to 3 month s	to 6 months	to 1 year	to 3 year	years	years		
Liabilities	-	-										
Deposits	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Borrowings***	3,336.87	3,638.13	36,021.08	22,197.45	53,458.55	36,658.59	45,526.80	74,858.80	19,514.50	1,387.56	545.63	296,052.70
Foreign Currency Liabilities	-	-	868.97	-	-	152.59	-	34,049.25	41,615.75	-	417.27	76,269.28
Assets	-	-										
Advances*	20,980.99	20,856.28	41,759.44	62,997.01	51,582.48	118,368.63	105,005.71	9,233.06	890.58	7.92	5,640.38	426,041.73
Investments	4,066.99	-	-	-	0.79	0.14	-	30.00	20.00	9,490.67	-	13,608.60
Foreign Currency assets	-	-	-	-	-	-	-	-	-	774.82	-	774.82

*Contracted tenor of gold loan is maximum of 12 months. However, on account of high incidence of prepayment before contracted maturity, the above maturity profile has been prepared by the management on the basis of historical pattern of repayments. In case of loans other than gold loan, the maturity profile is based on contracted maturity.

**represents adjustments on account of EIR/ECL

***excluding foreign currency liabilities

Material Contracts

Company has not entered into any material contracts other than in the ordinary course of business, in the last two years.

Legal Proceedings

Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last five years and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action

Please refer to the section titled “*Pending Proceedings and Statutory Defaults*” on page 204 of the Shelf Prospectus, for all litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last five years and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

Proceedings involving the Company, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the position of the Company

We are involved in various legal proceedings including, among others, central excise duty and service tax cases and criminal proceedings. Except as described in the section titled “*Pending Proceedings and Statutory Defaults*” on page 204 of the Shelf Prospectus, we believe that there are no legal proceedings involving the

Company, promoter, director, subsidiaries, group companies or any other person, and in our opinion, no proceedings are threatened, which may have, or have had during the 12 months preceding the date of this Tranche I Prospectus, material adverse effect on our business, financial position, profitability or results of operations.

Proceedings initiated against the Company for economic offences

The Company has not received any notice from any statutory authority with regard to any economic offences.

Details of default and non-payment of statutory dues

Other than as disclosed in the section titled “*Pending Proceedings and Statutory Defaults*” on page 204 of the Shelf Prospectus, the Company has not received any demand notice from any statutory agency for default and non-payment of statutory dues.

Investigations under company law

Other than as disclosed in the section titled “*Pending Proceedings and Statutory Defaults*” on page 204 of the Shelf Prospectus, the Company and its Subsidiary have not been investigated, inquired or inspected under any applicable company law in the last five years immediately preceding the year of issue of this Tranche I Prospectus.

Other than as disclosed in the section titled “*Pending Proceedings and Statutory Defaults*” on page 204 of the Shelf Prospectus, no prosecutions have been filed (whether pending or not) or fines imposed or compounding of offences done in the last five years immediately preceding the year of the prospectus for the Company and all of its Subsidiaries.

Auditor Qualifications

There have been no reservations, qualifications or adverse remarks by the Statutory Auditors of the Company in the Audited Financial Information for the last five financial years immediately preceding the date of this Tranche I Prospectus.

Details of fraud committed against the Company

S.No.	Financial Year	Details of Fraud	Action taken by the Company
1.	2019-20	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs. 25.94 million	These amounts have been recovered/written off/provided for
2.	2018-19	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs. 38.31 million	These amounts have been recovered/written off/provided for
3.	2017-18	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs.35.06 million	These amounts have been recovered/written off/provided for
4.	2016-17	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs. 15.38 million	These amounts have been recovered/written off/provided for
5.	2015-16	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs. 16.48 million	These amounts have been recovered/written off/provided for

Dividend

Our Company has a dividend policy approved by the Board. The Board of Directors may declare one or more interim dividends any time during the financial year. The Board may recommend final dividend after approval of the audited financial statements by the Board and will be paid after approval of shareholders in the Annual General Meeting. The Board will consider financial and other parameters stated in the policy for declaring both interim dividend and also for recommending final dividend as stated in the policy.

The dividends paid by our company are as follows

Financial Year	Nature of Dividend	Dividend Per Equity Share of Rs.10 each (in Rs.)
2019-20	Interim	15.00
2018-19	Interim	12.00
2017-18	Interim	10.00
2016-17	Interim	6.00
2015-16	Interim	2.00
	Interim	4.00
2014-15	Final	2.00
	Interim	4.00
2013-14	Final	1.00
	Interim	2.00
	Interim	3.00
2012-13	Final	4.50
2011-12	Final	4.00

Revaluation of assets

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

Mechanism for redressal of investor grievances

The MOU 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 3 years from the last date of despatch of the Allotment Advice, demat credit and refunds 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:

Registrar to the Issue

Link Intime India Private Limited

C-101, 247 Park, L B S Marg,
Vikhroli West,
Mumbai 400 089, India
Tel: (+91 22) 4918 6200
Fax: (+91 22) 4918 6195
Email: mfl.ncd2020@linkintime.co.in

Investor Grievance Email: mfl.ncd2020@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalakrishnan
SEBI Registration No.: INR000004058
CIN: U67190MH1999PTC118368

We estimate that the average time required by us or the Registrar to the Issue for the redressal of routine investor grievances will be 7 (seven) business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, we will seek to redress these complaints as expeditiously as possible.

Mr. Rajesh A has been appointed as the Compliance Officer of our Company for this issue.

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

Mr. Rajesh A.
Company Secretary
2nd Floor, Muthoot Chambers,
Opposite Saritha Theatre Complex
Banerji Road
Kochi - 682 018
Kerala, India
Tel: (+91 484) 6690 255
Fax: (+91 484) 2396506
Email: cs@muthootgroup.com

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre-issue or post-issue related issues such as non-receipt of intimation of allotment, demat credit of allotted NCDs or refunds, as the case may be

Change in Auditors of our Company during the last three years

Rangamani & Co. has been the statutory auditor of the Company since September 11, 2002 and continued as the Statutory Auditor of the Company till September 20, 2017. Members of the Company in their Annual General meeting dated September 20, 2017 appointed Varma & Varma, Chartered Accountants, FRN 004532S in place of retiring Auditors Rangamani & Co. Details of changes in the statutory auditors of the Company in the last 3 years have been summarised below:

Name	Address	Date of Appointment / Resignation / Retirement	Auditor of the Company since (in case of resignation)	Remarks
Rangamani & Co.	M/s. Rangamani & Co, Chartered Accountants, FRN: 003050S, 17/598, 2nd Floor, Card Bank Building, West of YMCA, VCSB Road, Allepey - 688 011	September 20, 2017' (Retirement)	September 11, 2002	Retirement on account of expiry of the term of engagement.
Varma & Varma, Chartered Accountants	M/s. Varma & Varma, Chartered Accountants, FRN: 004532S, "Sreeraghavam", Kerala Varma Tower, Bldg No. 53/2600 B, C, D & E, Off Kunjanbava Road, Vyttila P.O., Kochi- 682019	September 20, 2017' (Appointment)	-	Appointment on account of expiry of the term of engagement of the previous statutory auditor, Rangamani & Co.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by the Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company situated at Muthoot Chambers, 2nd Floor, Opposite Saritha Theatre Complex, Banerji Road, Ernakulam, Kerala 682 018 from 10.00 AM to 5.00 P.M during which the Tranche I Issue is open for public subscription under this Tranche I Prospectus

A. *Material Contracts*

1. Engagement Letters dated September 30, 2020 appointing Edelweiss Financial Services Limited, JM Financial Limited and Equirus Capital Private Limited as the Lead Managers respectively.
2. Engagement Letter dated October 14, 2020 appointing A. K. Capital Services Limited as the Lead Manager.
3. Issue Agreement dated September 30, 2020 between the Company and Edelweiss Financial Services Limited, JM Financial Limited and Equirus Capital Private Limited.
4. Amendment Agreement dated October 14, 2020 executed between Company and Edelweiss Financial Services Limited, JM Financial Limited, Equirus Capital Private Limited and A. K. Capital Services Limited amending the Issue Agreement dated September 30, 2020.
5. Memorandum of Understanding dated September 30, 2020 with the Registrar to the Issue.
6. Amendment Agreement dated October 14, 2020 executed between Company and Link Intime India Private Limited amending the Memorandum of Understanding dated September 30, 2020.
7. Debenture Trustee Agreement dated September 30, 2020 executed between the Company and the Debenture Trustee.
8. Tripartite agreement between the Company, Registrar to the Issue and CDSL dated December 08, 2010 and letter of extension dated March 14, 2011.
9. Tripartite agreement between the Company, Registrar to the issue and NSDL dated August 25, 2006.
10. The agreed form of the Debenture Trustee Deed to be executed between the Company and the Debenture Trustee.
11. Public Issue Account Agreement dated October 15, 2020 executed between the Company, the Lead Managers and the Public Issue Account Bank and Refund Bank.
12. Memorandum of Understanding dated October 15, 2020 executed between the Company, Lead Managers and the Lead Brokers.

B. *Material Documents*

1. Certificate of Incorporation of the Company dated March 14, 1997, issued by Registrar of Companies, Kerala and Lakshadweep.
2. Memorandum and Articles of Association of the Company.
3. The certificate of registration No. N.16.00167 dated December 12, 2008 issued by Reserve Bank of India u/s 45 IA of the Reserve Bank of India, 1934.
4. Credit rating letter dated September 22, 2020, and further revalidated by letter dated October 08, 2020 along with rating rationale from CRISIL granting credit ratings to the

Secured NCDs.

5. Credit rating letter dated September 26, 2020 and further revalidated by letter dated October 09, 2020 along with rating rationale from ICRA granting credit ratings to the Secured NCDs.
6. Copy of the NCD Committee Resolution dated September 30, 2020 approving the Issue.
7. Copy of the NCD Committee Resolution dated October 22, 2020 approving the Shelf Prospectus and NCD Committee Resolution dated October 22, 2020 approving this Tranche I Prospectus.
8. Copy of the resolution passed by the NCD Committee dated October 14, 2020 appointing A.K. Capital Services Limited as the Lead Manager to the Issue.
9. Copy of the resolution passed by the Board of Directors dated February 14, 2020 approving the issuance to the public of Secured NCDs and unsecured redeemable non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 60,000 million.
10. Resolution passed by the shareholders of the Company at the Annual General Meeting held on September 30, 2020 approving the increase of borrowing limits of the Company from Rs. 500,000 million to Rs. 750,000 million.
11. Consents of the Directors, Lead Managers to the Issue, Chief Financial Officer, Company Secretary and Compliance Officer of our Company, Debenture Trustee, Statutory Auditor, Credit Rating Agencies for the Issue, ICRA Analytics Limited for the inclusion of the Industry report, Legal Advisor to the Issue, the Registrar to the Issue, Lead Brokers, the Public Issue Account Bank and Refund Bank, to include their names in this Tranche I Prospectus.
12. The consent of the Statutory Auditors of our Company, namely Varma & Varma for inclusion of: (a) their names as the Statutory Auditors, (b) examination reports on Reformatted Financial Information in the form and context in which they appear in the Shelf Prospectus; (c) the statement of tax benefits available to the debenture holders in the form and context in which they appear in this Tranche I Prospectus; and (d) report on limited review of unaudited standalone and consolidated results for the quarter and three months ended June 30, 2020.
13. The examination reports on the Reformatted Financial Information of the Statutory Auditors dated September 14, 2020 and the Reformatted Financial Information.
14. Limited review report dated August 19, 2020 and the unaudited standalone and consolidated financial results for the quarter and three months period ended June 30, 2020 of our Company.
15. In-principle approval, dated October 16, 2020 for the Issue issued by the BSE.
16. Statement of tax benefits dated October 19, 2020 issued by our Statutory Auditors.
17. Annual Reports of the Company for the last five Financial Years 2015-16 to 2019-20.
18. Due Diligence certificate dated October 22, 2020 filed by the Lead Managers with SEBI.

DECLARATION

We, the Directors of the Company, certify that all the relevant provisions of the Companies Act, 2013, as applicable on the date of this Tranche I Prospectus and the guidelines issued by the Government of India or the guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with. We further certify that the disclosures made in this Tranche I Prospectus are true and correct and in conformity with the Companies Act, 2013, Schedule I of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and no statement made in this Tranche I Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 or the Securities and Exchange Board of India Act, 1992 or rules, guidelines and circulars issued thereunder.

SIGNED BY ALL DIRECTORS:

M. G. George Muthoot
Whole Time Director and Chairman

:

George Thomas Muthoot
Whole Time Director

:

George Jacob Muthoot
Whole Time Director

:

George Alexander Muthoot
Managing Director

:

Alexander M. George
Whole Time Director

:

Jose Mathew
Independent Director

:

Jacob Benjamin Koshy
Independent Director

:

Ravindra Pisharody
Independent Director

:

Vadakkakara Antony George
Independent Director

:

Pratip Chaudhuri
Independent Director

:

Date: 22 October, 2020

Place: Kochi, India



ICRA Limited

CONFIDENTIAL

Ref: ICRA/HYD/MFL/NCD/RVL-18/2020-21/2509

September 26, 2020

Mr. Oommen K. Mammen
Chief Financial Officer
Muthoot Finance Limited
Muthoot Chambers
Opp. Saritha Theatre Complex
Banerji Road, Ernakulam, Kerala – 682 018

Dear Sir,

Re: ICRA Credit rating for Rs. 15,681.31 crore Non-Convertible Debenture Programme of Muthoot Finance Limited (instrument details in Annexure)

This is with reference to your email dated September 25, 2020, for re-validating your rating for the Non-Convertible Debenture Programme.

We confirm that the “[ICRA]AA” (pronounced ICRA double A) rating with a Stable outlook, assigned to the captioned Non-Convertible Debenture Programme of your company and last communicated to you vide our letter dated September 15, 2020 and September 25, 2020 stands. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Within this category rating modifier {"+" (plus) or "-" (minus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letters Ref: ICRA/HYD/MFL-70/2020-21/2509 dated September 25, 2020, Ref: ICRA/HYD/MFL-250/2020-21/0604/A dated April 07, 2020 and Ref: ICRA/HYD/MFL/NCD/RVL-11/2019-20/0702 dated February 11, 2020.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold long term debt/non-convertible debenture to be issued by you.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,
For ICRA Limited

(K Ravichandran)
Senior Vice President & Group Head – Corporate Ratings
Email: ravichandran@icraindia.com



Annexure

LIST OF ALL INSTRUMENT RATED

ISIN	Instrument Name	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07977	NCD	2.35	[ICRA]AA(Stable)
INE414G07AA9	NCD	2.38	[ICRA]AA(Stable)
INE414G07AE1	NCD	1.27	[ICRA]AA(Stable)
INE414G07AH4	NCD	1.15	[ICRA]AA(Stable)
INE414G07AK8	NCD	0.98	[ICRA]AA(Stable)
INE414G07AO0	NCD	1.07	[ICRA]AA(Stable)
INE414G07BC3	NCD	1.75	[ICRA]AA(Stable)
INE414G07BF6	NCD	1.26	[ICRA]AA(Stable)
INE414G07BQ3	NCD	11.13	[ICRA]AA(Stable)
INE414G07BT7	NCD	82.5	[ICRA]AA(Stable)
INE414G07BZ4	NCD	68.68	[ICRA]AA(Stable)
INE414G07CC1	NCD	1,420.43	[ICRA]AA(Stable)
INE414G07CH0	NCD	38.03	[ICRA]AA(Stable)
INE414G07CA5	NCD	61.18	[ICRA]AA(Stable)
INE414G07CD9	NCD	190.56	[ICRA]AA(Stable)
INE414G07CI8	NCD	11.98	[ICRA]AA(Stable)
INE414G07CL2	NCD	71.61	[ICRA]AA(Stable)
INE414G07CP3	NCD	8.80	[ICRA]AA(Stable)
INE414G07CJ6	NCD	27.11	[ICRA]AA(Stable)
INE414G07CM0	NCD	1,862.45	[ICRA]AA(Stable)
INE414G07CQ1	NCD	19.73	[ICRA]AA(Stable)
INE414G07CK4	NCD	56.51	[ICRA]AA(Stable)
INE414G07CN8	NCD	721.85	[ICRA]AA(Stable)
INE414G07CR9	NCD	205.55	[ICRA]AA(Stable)
INE414G07CY5	NCD	36.01	[ICRA]AA(Stable)
INE414G07DB1	NCD	40.12	[ICRA]AA(Stable)
INE414G07DE5	NCD	79.28	[ICRA]AA(Stable)
INE414G07CZ2	NCD	151.74	[ICRA]AA(Stable)
INE414G07DC9	NCD	79.45	[ICRA]AA(Stable)
INE414G07DF2	NCD	73.71	[ICRA]AA(Stable)
INE414G07DA3	NCD	46.75	[ICRA]AA(Stable)
INE414G07DD7	NCD	110.64	[ICRA]AA(Stable)
INE414G07DG0	NCD	91.76	[ICRA]AA(Stable)
INE414G07DH8	NCD	72.76	[ICRA]AA(Stable)
INE414G07DK2	NCD	94.59	[ICRA]AA(Stable)
INE414G07DN6	NCD	30.29	[ICRA]AA(Stable)
INE414G07DI6	NCD	87.16	[ICRA]AA(Stable)
INE414G07DL0	NCD	71.27	[ICRA]AA(Stable)
INE414G07DO4	NCD	157.29	[ICRA]AA(Stable)
INE414G07DJ4	NCD	105.81	[ICRA]AA(Stable)
INE414G07DM8	NCD	179.47	[ICRA]AA(Stable)
INE414G07DP1	NCD	20.82	[ICRA]AA(Stable)
INE414G07DQ9	NCD	32.24	[ICRA]AA(Stable)



ISIN	Instrument Name	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07DT3	NCD	45.56	[ICRA]AA(Stable)
INE414G07DU1	NCD	53.73	[ICRA]AA(Stable)
INE414G07DV9	NCD	89.82	[ICRA]AA(Stable)
INE414G07DW7	NCD	54.83	[ICRA]AA(Stable)
INE414G07DX5	NCD	40.99	[ICRA]AA(Stable)
INE414G07DY3	NCD	53.62	[ICRA]AA(Stable)
INE414G07DZ0	NCD	26.05	[ICRA]AA(Stable)
INE414G07EA1	NCD	38.02	[ICRA]AA(Stable)
INE414G07EB9	NCD	14.00	[ICRA]AA(Stable)
INE414G07EC7	NCD	43.20	[ICRA]AA(Stable)
INE414G07EH6	NCD	63.80	[ICRA]AA(Stable)
INE414G07EI4	NCD	54.69	[ICRA]AA(Stable)
INE414G07EJ2	NCD	81.83	[ICRA]AA(Stable)
INE414G07EK0	NCD	285.72	[ICRA]AA(Stable)
INE414G07EL8	NCD	117.08	[ICRA]AA(Stable)
INE414G07EM6	NCD	54.38	[ICRA]AA(Stable)
INE414G07ED5	NCD	34.47	[ICRA]AA(Stable)
INE414G07EE3	NCD	40.78	[ICRA]AA(Stable)
INE414G07EF0	NCD	12.66	[ICRA]AA(Stable)
INE414G07EG8	NCD	44.60	[ICRA]AA(Stable)
Unallocated	NCD [#]	4,000.01	[ICRA]AA(Stable)
INE414G07CS7	NCD (private)	175.00	[ICRA]AA(Stable)
INE414G07CT5	NCD (private)	250.00	[ICRA]AA(Stable)
INE414G07CU3	NCD (private)	12.00	[ICRA]AA(Stable)
INE414G07CV1	NCD (private)	8.00	[ICRA]AA(Stable)
INE414G07CW9	NCD (private)	90.00	[ICRA]AA(Stable)
INE414G07CX7	NCD (private)	40.00	[ICRA]AA(Stable)
INE414G07DR7	NCD (private)	550.00	[ICRA]AA(Stable)
INE414G07DS5	NCD (private)	200.00	[ICRA]AA(Stable)
INE414G07EN4	NCD (private)	250.00	[ICRA]AA(Stable)
INE414G07EO2	NCD (private)	250.00	[ICRA]AA(Stable)
INE414G07ET1	NCD (private)	125.00	[ICRA]AA(Stable)
INE414G07EX3	NCD (private)	100.00	[ICRA]AA(Stable)
Unallocated	NCD (private) ^{##}	1,950.00	[ICRA]AA(Stable)
Total Non-Convertible Debentures		15,681.31	

[#]Public issue – Yet to be placed

^{##}Private issue – Yet to be placed



ICRA Limited

CONFIDENTIAL

Ref: ICRA/HYD/MFL/NCD/RVL-19/2020-21/2509

October 9, 2020

Mr. Oommen K. Mammen
Chief Financial Officer
Muthoot Finance Limited
Muthoot Chambers
Opp. Saritha Theatre Complex
Banerji Road, Ernakulam, Kerala – 682 018

Dear Sir,

Re: ICRA Credit rating for Rs.15,681.31 crore Non-Convertible Debenture Programme of Muthoot Finance Limited (instrument details in Annexure)

This is with reference to your email dated October 8, 2020, for re-validating your rating for the Non-Convertible Debenture Programme.

We confirm that the “[ICRA]AA” (pronounced ICRA double A) rating with a Stable outlook, assigned to the captioned Non-Convertible Debenture Programme of your company and last communicated to you vide our letter dated September 26, 2020 stands. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Within this category rating modifier {“+” (plus) or “-” (minus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letters Ref: ICRA/HYD/MFL-70/2020-21/2509 dated September 25, 2020, Ref: ICRA/HYD/MFL-250/2020-21/0604/A dated April 07, 2020 and Ref: ICRA/HYD/MFL/NCD/RVL-11/2019-20/0702 dated February 11, 2020.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold long term debt/non-convertible debenture to be issued by you.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,

Yours sincerely,
For ICRA Limited

(R Srinivasan)
Vice President
Email: r.srinivasan@icraindia.com

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634, Anna Salai, Nandanam
Chennai 600035

Tel : +91.44.45964300
CIN : L74999DL1991PLC042749

Website : www.icra.in
Email : info@icraindia.com
Helpdesk : +91.124.2866928

Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel : +91.11.23357940-45

RATING • RESEARCH • INFORMATION



Annexure

LIST OF ALL INSTRUMENT RATED

ISIN	Instrument Name	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07977	NCD	2.35	[ICRA]AA(Stable)
INE414G07AA9	NCD	2.38	[ICRA]AA(Stable)
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INE414G07AK8	NCD	0.98	[ICRA]AA(Stable)
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INE414G07DU1	NCD	53.73	[ICRA]AA(Stable)
INE414G07DV9	NCD	89.82	[ICRA]AA(Stable)
INE414G07DW7	NCD	54.83	[ICRA]AA(Stable)
INE414G07DX5	NCD	40.99	[ICRA]AA(Stable)
INE414G07DY3	NCD	53.62	[ICRA]AA(Stable)
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INE414G07ED5	NCD	34.47	[ICRA]AA(Stable)
INE414G07EE3	NCD	40.78	[ICRA]AA(Stable)
INE414G07EF0	NCD	12.66	[ICRA]AA(Stable)
INE414G07EG8	NCD	44.60	[ICRA]AA(Stable)
Unallocated	NCD [#]	4,000.01	[ICRA]AA(Stable)
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INE414G07CV1	NCD (private)	8.00	[ICRA]AA(Stable)
INE414G07CW9	NCD (private)	90.00	[ICRA]AA(Stable)
INE414G07CX7	NCD (private)	40.00	[ICRA]AA(Stable)
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INE414G07ET1	NCD (private)	125.00	[ICRA]AA(Stable)
INE414G07EX3	NCD (private)	100.00	[ICRA]AA(Stable)
Unallocated	NCD (private) ^{##}	1,950.00	[ICRA]AA(Stable)
Total Non-Convertible Debentures		15,681.31	

[#]Public issue – Yet to be placed

^{##}Private issue – Yet to be placed

September 28, 2020

Muthoot Finance Limited: [ICRA]AA(Stable) assigned to Fresh NCD of Rs. 2,811.00 crore

Summary of rating action

Instrument ^{^^}	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture Programme (public placement) – Unallocated	1,189.01	1,189.01	[ICRA]AA(Stable); outstanding
	0.00	2,811.00	[ICRA]AA(Stable); assigned
Non-convertible Debenture Programme (public placement) – Allocated	7,681.30	7,681.30	[ICRA]AA(Stable); outstanding
Non-convertible Debenture Programme (private placement) – Unallocated	2,175.00	1,950.00	[ICRA]AA(Stable); outstanding
Non-convertible Debenture Programme (private placement) – Allocated	1,825.00	2,050.00	[ICRA]AA(Stable); outstanding
Long-term Fund-based Bank Facilities	8,897.00 [#]	8,897.00 [#]	[ICRA]AA(Stable); outstanding
Short-term Fund-based Bank Facilities	13,338.00 [#]	13,338.00 [#]	[ICRA]A1+; outstanding
Term Loans	2,690.00	2,690.00	[ICRA]AA(Stable); outstanding
Subordinated Debenture Programme – Allocated	273.84	273.84	[ICRA]AA(Stable); outstanding
Subordinated Debenture Programme – Unallocated	200.00	200.00	[ICRA]AA(Stable); outstanding
Commercial Paper Programme	5,000.00	5,000.00	[ICRA]A1+; outstanding
Total*	36,009.15	38,820.15	

^{^^} Instrument details are provided in Annexure-1

[#] Long term and short-term fund based limits include an interchangeable limit of Rs. 7,260 crore; total rated bank facilities stand at Rs. 17,665 crore (including Rs. 2,690.0 crore term loans and Rs.870 crore credit exposure limit)

* For the computation of total limits rated, total rated bank facilities (term loans, long-term and short-term bank limits) of Rs. 17,665 crore have been considered

Rationale

The ratings factor in Muthoot Finance Limited's (MFL) long-standing track record and its leadership position in the gold loan segment, its established franchise with a pan-India branch network, and its efficient internal controls and monitoring systems. The ratings also consider the company's comfortable capitalisation profile, ability to raise funds from diverse sources and good profitability indicators. ICRA takes note of the Muthoot Group's portfolio diversification to non-gold asset segments via its subsidiaries; ability to profitably manage its non-gold loan portfolio would be critical over the medium term. However, in the near-term, share of the non-gold business is expected to moderate from the current levels (13%) as growth of these asset segments are expected to be lower than in the past.

The ratings factor in the portfolio concentration in the gold loan business, MFL's geographically concentrated operations, the vulnerability of its operations to adverse gold price fluctuations and the marginal borrower profile. ICRA, however, notes that MFL's credit cost (Standalone) has remained under control and modest over the past five years (average of

0.5% of total managed assets) even though the reported asset quality indicators weakened at times. Further, Covid-19 related disruptions, if any, could affect the company's operations and asset quality, considering its sizeable dependence on cash transactions and marginal borrower profile. While access to collateral (in case of gold loans) provides comfort, the ability to undertake timely recoveries in case the gold price movements turn adverse and, the performance of the non-gold segments would be key monitorables.

The Stable outlook factors in ICRA's expectation that MFL will continue to benefit from its established operational track record in the gold loan business, which accounted for 87% of the consolidated assets under management (AUM), as of June 2020, and its comfortable overall financial risk profile.

Key rating drivers and their description

Credit strengths

Established franchise and market leadership in gold loan segment –MFL has a track record of over two decades in the gold loan business and is India's largest gold loan focused non-banking financial company (NBFC) with a total portfolio of Rs. 41,296 crore (of which 98% is gold loan) as on June 30, 2020 compared to Rs. 41,611 crore as on March 31, 2020 (Rs. 34,246 crore as on March 31, 2019). The consolidated portfolio stood at Rs. 46,501 crore as on June 30, 2020 compared to Rs. 46,871 crore as on March 31, 2020 (Rs. 40,228 crore as on March 31, 2019), of which gold, housing and microfinance accounted for 87%, 4% and 6%, respectively. The company operates through an extensive pan-India branch network of 4,573 as on June 30, 2020 with 60% of it being in South India, where it has an established franchise. Its long-standing presence, experienced promoters and senior management team, and efficient internal controls and audit systems are expected to support its overall business growth going forward.

Healthy profitability indicators – The company's consolidated net profitability remained healthy with the annualised PAT/AMA¹ at 6.1% in Q12020 (provisional) and 6.6% in FY2020. MFL's (standalone) net profitability also remained healthy with annualized PAT/AMA of 6.5% in Q1FY2021 (provisional) and 6.8% in FY2020. The annualized return on average net worth (standalone) was about 28% during Q1FY2021. The net interest margin (standalone) decreased to 11.3% in Q1FY2021 from 13.2% in FY2020 due to higher on-balance sheet liquidity, and relatively higher cost funds raised via the external commercial borrowings (ECB) route in H2FY2020. However, the company's profitability was supported by a decline in the operating expense ratio to 2.9% in Q1FY2021 from 4.0% in FY2020 and low credit costs. The operating costs were lower in Q1FY2021 as branch related expenses were controlled during the period on account the covid-19 lockdown and, is therefore expected come back to normal levels going forward. ICRA expects the consolidated net profitability is expected to remain healthy at 4.5-5.0% over the medium term.

Capitalisation to remain comfortable over the medium term, notwithstanding the investments required for subsidiaries – MFL has a comfortable capitalisation profile with a standalone gearing of 3.2 times as on June 30, 2020 (3.2 times as on March 31, 2020), aided by good internal capital generation. The consolidated gearing stood at about 3.4 times as on June 30, 2020. MFL's standalone net worth was Rs. 12,316 crore as on June 30, 2020 (Rs. 11,571 crore as on March 31, 2020). It is expected to be comfortably placed to meet the medium-term capital requirements of its subsidiaries without affecting its own capital structure. ICRA expects MFL's consolidated gearing to remain in the range of 3.0-4.0 times over the medium term.

¹ Profit after tax/average managed assets

Credit challenges

Concentration on gold loan segment; diversification in new asset classes is a monitorable – MFL’s standalone portfolio almost entirely consists of gold loans and its consolidated portfolio also largely consists of gold loans, which was about 87% of the loan book as on June 30, 2020. The company’s revenue diversification is also modest with non-interest income/average total assets of 0.5% (annualised; standalone provisional) in Q1FY2021. The share of the subsidiaries was flat YoY at about 12% of the total AUM in June 2020. The consolidated AUM increased by 16% YoY to Rs. 46,501 crore as on June 30, 2020, it however declined during Q1FY2021 by 0.8% largely because of the decline in the gold loans and microfinance loans.

While the share of the subsidiaries is expected to moderate from the current levels; MFL’s ability to profitably grow its non-gold business while maintaining good asset quality would be crucial, considering the unsecured nature of some of these businesses and the higher inherent risks compared to gold loans.

Critical to control credit costs in non-gold loan segment – MFL’s gross stage 3 decreased to 2.6% as on June 30, 2020 from 3.2% as on June 30, 2019 (2.2% as on March 31, 2020) on the back of the settlement of overdue loans. The net stage 3 stood at 2.3% in June 2020 compared to 2.8% in June 2019 (1.9% in March 2020). ICRA takes note of the additional standard asset provision of Rs. 295.4 crore (0.7% of the gold loan portfolio). This, along with the low credit cost of 0.1% (annualised; standalone) in Q1FY2021 (average of 0.5% in the last 5 years) and the liquid nature of the collateral, provides comfort. The GNPA’s in the housing and microfinance subsidiaries were under control at 1.7% and 1.1%, respectively, as on June 30, 2020 (0.8% and 1.2%, respectively, as on June 30, 2019).

While performance of non-gold loans may be impacted by the Covid-19 related disruptions because of the unsecured nature of the microfinance business and, the average credit profile of the borrowers in the housing segment; ICRA expects MFL’s asset quality in the gold-loan segment, which accounts for the bulk share of the consolidated AUM, to remain under control with low credit costs.

Vulnerability to adverse gold price movements – Notwithstanding its efforts to reduce the impact of gold price fluctuations, MFL’s credit profile would remain susceptible to adverse and sharp movements in gold prices. A steep decline in gold prices is expected to adversely impact the company’s asset quality and business profile.

Operations concentrated in South India – MFL’s operations are largely concentrated in South India, which constituted 60% of its total branch network and 48% of its total loan portfolio as on June 30, 2020. ICRA, however, notes that the share of the portfolio in South India has reduced from 69% in March 2012.

Liquidity position: Strong

MFL’s has cash and liquid investments of Rs. 7,765 crore as on August 31, 2020, with debt repayment obligation of Rs. 13,771 crore for the months September 2020 – February 2021. Sizeable portion of the repayments (Rs. 8,418 crore) is Cash Credit/Short Term loan from banks which is expected to be rolled-over; commercial paper and NCD repayments stood at Rs. 4,941 crore and Rs. 132 crore. Sizeable undrawn working capital limits from banks (about Rs. 770 crore as of August 2020) provide further support to its liquidity profile.

ICRA takes note of the sizeable increase in the overall collections and disbursements in the recent past as borrowers rolled-over (after paying their accrued interest and renewing the loan basis the prevailing loan to value) their existing loans in view of the increased gold prices. While the share of loans roll-over in the overall collections and disbursements, increased considerably vis-a-vis the past, its fresh disbursements and, cash collections remained healthy.

MFL has a fairly-diversified funding profile with bank loans constituting 40% of its total borrowings as on June 30, 2020 followed by debentures (25%, including sub debt), External Commercial Borrowings (19%) and CPs (13%). Diverse funding sources help the company in maintaining a comfortable liquidity position.

Rating sensitivities

Positive triggers – ICRA could change the outlook or upgrade the rating if MFL demonstrates a track record of good quality and profitable performance in the non-gold asset segments while limiting the share of the unsecured asset segments to 15% of the overall AUM. A sustained asset quality, capital profile and earnings performance, as per the expected levels², would also act as positive rating triggers.

Negative triggers – ICRA could change the outlook or downgrade MFL's ratings if the asset quality weakens significantly, thereby impacting its earnings, or if the consolidated gearing increases beyond 4.5 times on a sustained basis.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies
Parent/Group Support	NA
Consolidation	To arrive at the ratings, ICRA has considered the consolidated financials of the Muthoot Finance Group. The consolidated financials of the Group include seven subsidiaries as listed in Annexure-2

About the company

Muthoot Finance Limited (MFL) is the flagship company of the Kerala-based business house, The Muthoot Group, which has diversified operations in financial services, healthcare, real estate, education, hospitality, power generation and entertainment. MFL was incorporated in 1997 and is India's largest gold loan focussed NBFC with total loan assets (standalone) of Rs. 41,296 crore and 4,573 branches as on June 30, 2020. The company derives a major proportion of its business from South India (48% of the total portfolio as on June 30, 2020), where gold loans have traditionally been accepted as a means of availing short-term credit, although MFL has increased its presence beyond South India over the past few years.

MFL achieved a standalone net profit of Rs. 3,018 crore on an asset base of Rs. 50,460 crore in FY2020 against a net profit of Rs. 1,972 crore on an asset base of Rs. 38,069 crore in FY2019. In Q1FY21, the company witnessed standalone net profit of Rs. 841 crore.

The consolidated portfolio stood at Rs. 46,501 crore as on June 30, 2020 compared to Rs. 46,871 crore as on March 31, 2020 (Rs. 40,228 crore as on March 31, 2019), of which gold, housing and microfinance accounted for 87%, 4% and 6%, respectively.

² Detailed in Key rating drivers

Key financial indicators (audited)

	Standalone				Consolidated			
	FY2018	FY2019	FY2020	Q1 FY2021 [#]	FY2018	FY2019	FY2020	Q1 FY2021 [#]
Total Income	6,333	6,881	8,723	2,385	6,782	7,601	9,707	2,607
Profit after Tax*	1,778	1,972	3,018	841	1,830	2,078	3,138	854
Net Worth*	7,812	9,793	11,572	12,316	7,857	9,931	11,829	12,589
Total Managed Portfolio	29,507	34,933	42,604	42,562	32,252	38,723	47,068	46,920
Total Managed Assets	30,792	38,069	50,460	52,772	33,672	41,735	54,882	57,510
Return on Average Managed Assets (%)	5.8%	5.7%	6.8%	6.5%	5.7%	5.6%	6.6%	6.1%
Return on Average Net Worth (%)	24.8%	22.4%	28.3%	28.2%	25.4%	23.4%	28.7%	27.7%
Gross NPA %	4.4%	2.7%	2.2%	2.6%	-	-	-	-
Net NPA %	3.8%	2.4%	1.9%	2.3%	-	-	-	-
Net NPA / Net Worth	14.1%	8.2%	6.9%	7.7%	-	-	-	-
Gearing (reported; times)	2.9	2.8	3.2	3.2	3.2	3.1	3.4	3.4
% CRAR	26.3%	26.1%	25.5%	26.3%	-	-	-	-

Note: Amount in Rs. crore; as per Ind-AS. [#]Unaudited, * After minority interest

Source: MFL's financial statements, ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

	Instrument	Current Rating (FY2021)					Rating History for the Past 3 Years		
		Type	Amount Rated	Amount Outstanding	Rating		FY2020 14-02-20/ 22-01-20/ 10-10-19	FY2019 07-01-19/ 04-12-18/ 27-07-18/ 01-06-18	FY2018 16-02-18/ 22-01-18/ 09-10-17/ 19-04-17
					28-09-20	11-06-20/ 13-04-20			
1	NCD-Fresh	Long Term	2,811	2,811	[ICRA]AA (Stable)	-	-	-	-
2	NCDs-Public Issue	Long Term	8,870.31	8,870.31	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
3	NCDs-Private Placement	Long Term	4,000	4,000	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
4	Subordinated Debt	Long Term	473.84	473.84	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
5	Term Loans	Long Term	2,690	2,690	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
6	Fund-based Bank Limits^	Long Term	8,897	8,897	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)
7	Fund-based Bank Limits^	Short Term	13,338	13,338	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
8	Commercial Paper	Short Term	5,000	5,000	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

^ Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 7,260 crore; the total rated bank facilities are Rs. 17,665 crore (including Rs. 2,690-crore term loans and Rs. 870-crore credit exposure limit)

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07977	Non-convertible Debentures	23-Apr-15	9.50 & 10.25	23-Apr-20	2.35	[ICRA]AA(Stable)
INE414G07AA9	Non-convertible Debentures	23-Apr-15	9.75 & 10.50	23-Apr-20	2.38	[ICRA]AA(Stable)
INE414G07AE1	Non-convertible Debentures	23-Apr-15	Zero Coupon	23-Apr-20	1.27	[ICRA]AA(Stable)
INE414G07AH4	Non-convertible Debentures	14-Oct-15	8.75 & 9.50	14-Oct-20	1.15	[ICRA]AA(Stable)
INE414G07AK8	Non-convertible Debentures	14-Oct-15	9.00 & 9.75	14-Oct-20	0.98	[ICRA]AA(Stable)
INE414G07AO0	Non-convertible Debentures	14-Oct-15	Zero Coupon	14-Oct-20	1.07	[ICRA]AA(Stable)
INE414G07BC3	Non-convertible Debentures	12-May-16	9.00 & 8.25	12-May-21	1.75	[ICRA]AA(Stable)
INE414G07BF6	Non-convertible Debentures	12-May-16	9.25 & 8.50	12-May-21	1.26	[ICRA]AA(Stable)
INE414G07BQ3	Non-convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-22	11.13	[ICRA]AA(Stable)
INE414G07BT7	Non-convertible Debentures	30-Jan-17	9.25 & 9.00	30-Jan-22	82.5	[ICRA]AA(Stable)
INE414G07BZ4	Non-convertible Debentures	24-Apr-17	8.5	24-Jun-20	68.68	[ICRA]AA(Stable)
INE414G07CC1	Non-convertible Debentures	24-Apr-17	8.75	24-Jun-20	1420.43	[ICRA]AA(Stable)
INE414G07CH0	Non-convertible Debentures	24-Apr-17	Zero Coupon	24-Jun-20	38.03	[ICRA]AA(Stable)
INE414G07CA5	Non-convertible Debentures	24-Apr-17	8.75	24-Apr-22	61.18	[ICRA]AA(Stable)
INE414G07CD9	Non-convertible Debentures	24-Apr-17	9	24-Apr-22	190.56	[ICRA]AA(Stable)
INE414G07CI8	Non-convertible Debentures	19-Apr-18	8.25	19-Apr-20	11.98	[ICRA]AA(Stable)
INE414G07CL2	Non-convertible Debentures	19-Apr-18	8.5	19-Apr-20	71.61	[ICRA]AA(Stable)
INE414G07CP3	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Apr-20	8.8	[ICRA]AA(Stable)
INE414G07CJ6	Non-convertible Debentures	19-Apr-18	8.5	19-Jun-21	27.11	[ICRA]AA(Stable)
INE414G07CM0	Non-convertible Debentures	19-Apr-18	8.75	19-Jun-21	1862.45	[ICRA]AA(Stable)
INE414G07CQ1	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Jun-21	19.73	[ICRA]AA(Stable)
INE414G07CK4	Non-convertible Debentures	19-Apr-18	8.75	19-Apr-23	56.51	[ICRA]AA(Stable)
INE414G07CN8	Non-convertible Debentures	19-Apr-18	9	19-Apr-23	721.85	[ICRA]AA(Stable)
INE414G07CR9	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Apr-23	205.55	[ICRA]AA(Stable)
INE414G07CY5	Non-convertible Debentures	20-Mar-19	Zero Coupon	20-Mar-21	36.01	[ICRA]AA(Stable)
INE414G07DB1	Non-convertible Debentures	20-Mar-19	9.25	20-Mar-21	40.12	[ICRA]AA(Stable)
INE414G07DE5	Non-convertible Debentures	20-Mar-19	9.5	20-Mar-21	79.28	[ICRA]AA(Stable)
INE414G07CZ2	Non-convertible Debentures	20-Mar-19	Zero Coupon	20-May-22	151.74	[ICRA]AA(Stable)
INE414G07DC9	Non-convertible Debentures	20-Mar-19	9.5	20-May-22	79.45	[ICRA]AA(Stable)
INE414G07DF2	Non-convertible Debentures	20-Mar-19	9.75	20-May-22	73.71	[ICRA]AA(Stable)
INE414G07DA3	Non-convertible Debentures	20-Mar-19	Zero Coupon	20-Mar-24	46.75	[ICRA]AA(Stable)
INE414G07DD7	Non-convertible Debentures	20-Mar-19	9.75	20-Mar-24	110.64	[ICRA]AA(Stable)
INE414G07DG0	Non-convertible Debentures	20-Mar-19	10	20-Mar-24	91.76	[ICRA]AA(Stable)
INE414G07DH8	Non-convertible Debentures	14-Jun-19	9.25	14-Jun-21	72.76	[ICRA]AA(Stable)
INE414G07DK2	Non-convertible Debentures	14-Jun-19	9.5	14-Jun-21	94.59	[ICRA]AA(Stable)
INE414G07DN6	Non-convertible Debentures	14-Jun-19	Zero Coupon	14-Jun-21	30.29	[ICRA]AA(Stable)
INE414G07DI6	Non-convertible Debentures	14-Jun-19	9.5	14-Aug-22	87.16	[ICRA]AA(Stable)
INE414G07DL0	Non-convertible Debentures	14-Jun-19	9.75	14-Aug-22	71.27	[ICRA]AA(Stable)
INE414G07DO4	Non-convertible Debentures	14-Jun-19	Zero Coupon	14-Aug-22	157.29	[ICRA]AA(Stable)
INE414G07DJ4	Non-convertible Debentures	14-Jun-19	9.75	14-Jun-24	105.81	[ICRA]AA(Stable)
INE414G07DM8	Non-convertible Debentures	14-Jun-19	10	14-Jun-24	179.47	[ICRA]AA(Stable)
INE414G07DP1	Non-convertible Debentures	14-Jun-19	Zero Coupon	14-Jun-24	20.82	[ICRA]AA(Stable)
INE414G07DQ9	Non-convertible Debentures	14-Jun-19	Zero Coupon	14-Dec-26	32.24	[ICRA]AA(Stable)
INE414G07DT3	Non-convertible Debentures	1-Nov-19	9.25	1-Nov-21	45.56	[ICRA]AA(Stable)
INE414G07DU1	Non-convertible Debentures	1-Nov-19	9.5	1-Jan-23	53.73	[ICRA]AA(Stable)
INE414G07DV9	Non-convertible Debentures	1-Nov-19	Zero Coupon	1-Nov-24	89.82	[ICRA]AA(Stable)

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07DW7	Non-convertible Debentures	1-Nov-19	9.5	1-Nov-21	54.83	[ICRA]AA(Stable)
INE414G07DX5	Non-convertible Debentures	1-Nov-19	9.75	1-Jan-23	40.99	[ICRA]AA(Stable)
INE414G07DY3	Non-convertible Debentures	1-Nov-19	Zero Coupon	1-Nov-24	53.62	[ICRA]AA(Stable)
INE414G07DZ0	Non-convertible Debentures	1-Nov-19	9.75	1-Nov-21	26.05	[ICRA]AA(Stable)
INE414G07EA1	Non-convertible Debentures	1-Nov-19	10	1-Jan-23	38.02	[ICRA]AA(Stable)
INE414G07EB9	Non-convertible Debentures	1-Nov-19	Zero Coupon	1-Nov-24	14	[ICRA]AA(Stable)
INE414G07EC7	Non-convertible Debentures	1-Nov-19	Zero Coupon	1-May-27	43.2	[ICRA]AA(Stable)
INE414G07EH6	Non-convertible Debentures	27-Dec-19	9.25	27-Dec-21	63.8	[ICRA]AA(Stable)
INE414G07EI4	Non-convertible Debentures	27-Dec-19	9.5	27-Feb-23	54.69	[ICRA]AA(Stable)
INE414G07EJ2	Non-convertible Debentures	27-Dec-19	Zero Coupon	27-Dec-24	81.83	[ICRA]AA(Stable)
INE414G07EK0	Non-convertible Debentures	27-Dec-19	9.5	27-Dec-21	285.72	[ICRA]AA(Stable)
INE414G07EL8	Non-convertible Debentures	27-Dec-19	9.75	27-Feb-23	117.08	[ICRA]AA(Stable)
INE414G07EM6	Non-convertible Debentures	27-Dec-19	Zero Coupon	27-Dec-24	54.38	[ICRA]AA(Stable)
INE414G07ED5	Non-convertible Debentures	27-Dec-19	9.75	27-Dec-21	34.47	[ICRA]AA(Stable)
INE414G07EE3	Non-convertible Debentures	27-Dec-19	10	27-Feb-23	40.78	[ICRA]AA(Stable)
INE414G07EF0	Non-convertible Debentures	27-Dec-19	Zero Coupon	27-Dec-24	12.66	[ICRA]AA(Stable)
INE414G07EG8	Non-convertible Debentures	27-Dec-19	Zero Coupon	27-Jun-27	44.6	[ICRA]AA(Stable)
INE414G07CS7	Non-convertible Debentures (private)	26-Jul-18	9.75	26-Jul-21	175	[ICRA]AA(Stable)
INE414G07CT5	Non-convertible Debentures (private)	13-Aug-18	9.6	22-Jun-20	250	[ICRA]AA(Stable)
INE414G07CU3	Non-convertible Debentures (private)	22-Nov-18	9.25	1-Feb-21	12	[ICRA]AA(Stable)
INE414G07CV1	Non-convertible Debentures (private)	22-Nov-18	9.5	1-Feb-21	8	[ICRA]AA(Stable)
INE414G07CW9	Non-convertible Debentures (private)	22-Nov-18	9.5	1-Feb-22	90	[ICRA]AA(Stable)
INE414G07CX7	Non-convertible Debentures (private)	22-Nov-18	9.75	1-Feb-22	40	[ICRA]AA(Stable)
INE414G07DR7	Non-convertible Debentures (private)	6-Sep-19	10	6-Sep-21	550	[ICRA]AA(Stable)
INE414G07DS5	Non-convertible Debentures (private)	6-Sep-19	10	6-Sep-21	200	[ICRA]AA(Stable)
INE414G07EN4	Non-convertible Debentures (private)	30-Dec-19	9.5	30-Jan-22	250	[ICRA]AA(Stable)
INE414G07EO2	Non-convertible Debentures (private)	30-Dec-19	9.5	6-Jan-22	250	[ICRA]AA(Stable)
INE414G07ET1	Non-convertible Debentures (private)	18-Jun-20	9.5	18-Jun-25	125	[ICRA]AA(Stable)
INE414G07EX3	Non-convertible Debentures (private)	15-Jul-20	8.4	15-Jul-23	100	[ICRA]AA(Stable)
Unallocated	Non-convertible Debentures (private) ^{###}	-	-	-	1,950	[ICRA]AA(Stable)
Unallocated	Non-convertible Debentures (public) ^{###}	-	-	-	4,000.01	[ICRA]AA(Stable)
Total Non-Convertible Debentures*					15,681.31	

ISIN	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
Subordinated Debt						
INE414G09015	Subordinated Debt	26-Mar-13	12.35	26-Mar-23	10.00	[ICRA]AA(Stable)
INE414G08249	Subordinated Debt	2-Apr-14	Zero Coupon	2-Jul-20	19.35	[ICRA]AA(Stable)
INE414G08256	Subordinated Debt	4-Jul-14	Zero Coupon	4-Oct-20	36.45	[ICRA]AA(Stable)
INE414G08264	Subordinated Debt	26-Sep-14	Zero Coupon	26-Mar-21	30.44	[ICRA]AA(Stable)
INE414G08272	Subordinated Debt	29-Dec-14	Zero Coupon	29-Jun-21	38.65	[ICRA]AA(Stable)
INE414G08280	Subordinated Debt	23-Apr-15	Zero Coupon	23-Jan-22	28.91	[ICRA]AA(Stable)
INE414G08298	Subordinated Debt	14-Oct-15	Zero Coupon	14-Oct-22	35.95	[ICRA]AA(Stable)
INE414G08314	Subordinated Debt	12-May-16	Zero Coupon	12-Nov-23	23.60	[ICRA]AA(Stable)
INE414G08330	Subordinated Debt	30-Jan-17	Zero Coupon	30-Jan-25	31.78	[ICRA]AA(Stable)
INE414G08348	Subordinated Debt	24-Apr-17	Zero Coupon	24-Apr-25	18.72	[ICRA]AA(Stable)
Unallocated	Subordinated Debt ^{##}	-	-	-	200.00	[ICRA]AA(Stable)
Total Subordinated Debt*					473.84	
NA	Term Loans	-	-	-	2,690.00	[ICRA]AA(Stable)
NA	Long-term Fund-based/non fund-based Bank Facilities	-	-	-	8,897.00 [^]	[ICRA]AA(Stable)
NA	Short-term Fund-based Bank Facilities	-	-	-	13,338.00 [^]	[ICRA]A1+
Total Bank Facilities					17,665.00	
NA	Commercial Paper Programme	-	-	-	5,000.00	[ICRA]A1+

Source: MFL

^{##} Yet to be placed

[^] Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 7,260 crore; the total rated bank facilities are Rs. 17,665 crore (including Rs. 2,690-crore term loans and Rs. 870-crore credit exposure limit)

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership (as of March 2020)	Ownership (as of March 2019)	Consolidation Approach
Belstar Investment and Finance Limited	70.01%	70.01%	Full Consolidation
Muthoot HomeFin Limited	100.00%	100.00%	Full Consolidation
Asia Asset Finance PLC	72.92%	69.17%	Full Consolidation
Muthoot Insurance and Brokers	100.00%	100.00%	Full Consolidation
Muthoot Money Private Limited	100.00%	100.00%	Full Consolidation
Muthoot Asset Management Private Limited	100.00%	100.00%	Full Consolidation
Muthoot Trustee Private Limited	100.00%	100.00%	Full Consolidation

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

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MTOFL/254491/NCD/22092020
September 22, 2020

Mr. George Alexander Muthoot
Managing Director
Muthoot Finance Limited
Corporate Office: Muthoot Chambers
Opposite Sachin Theatre Complex
Banerji Road,
Kochi - 682018

Dear Mr. George Alexander Muthoot,

Re: CRISIL Rating on the Rs.4000 Crore Non-Convertible Debentures of Muthoot Finance Limited

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

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

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non-Convertible Debentures	4000	CRISIL AA Positive

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.

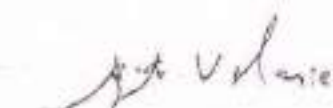
As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned 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@crsil.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@crsil.com.

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

With warm regards,

Yours sincerely,



Ajit Velonis
Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings

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.crsil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-7301.

CRISIL Limited
Corporate Identity Number: L271203403967PLC042343

CONFIDENTIAL

 MTOFL/251502/NCD/22092020
 October 8, 2020

Mr. George Alexander Muthoot
 Managing Director
Muthoot Finance Limited
 Corporate Office: Muthoot Chambers
 Opposite Saritha Theatre Complex
 Banerji Road,
 Kochi - 682018

Dear Mr. George Alexander Muthoot,

Re: CRISIL Rating on the Rs.4000 Crore Non-Convertible Debentures* of Muthoot Finance Limited
 All ratings assigned by CRISIL are kept under continuous surveillance and review.
 Please refer to our rating letter dated September 22, 2020 bearing Ref. no.: MTOFL/254491/NCD/22092020

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

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non-Convertible Debentures	4000	CRISIL AA/Positive

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.

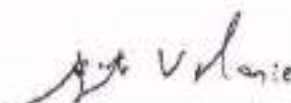
As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned 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.

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

With warm regards,

Yours sincerely,



 Ajit Velonje
 Director - CRISIL Ratings



 Nivedita Shibu
 Associate Director - CRISIL Ratings


* proposed public issue

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 CRISIL Limited
 Corporate Identity Number: L67120MH1987PLC042363

Rating Rationale

July 24, 2020 | Mumbai

Muthoot Finance Limited

'CRISIL PP-MLD AAr/Positive' assigned to Long term principal protected market linked debentures

Rating Action

Rs.350 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AAr/Positive (Assigned)
Rs.200 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AAr/Positive (Reaffirmed)
Rs.200 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AAr/Positive (Reaffirmed)
Rs.100 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AAr/Positive (Reaffirmed)
Rs.150 Crore Long Term Principal Protected Market Linked Debentures	CRISIL PP-MLD AAr/Positive (Reaffirmed)
Rs.2000 Crore Non Convertible Debentures	CRISIL AA/Positive (Reaffirmed)
Subordinated Debt Aggregating Rs.200.28 Crore	CRISIL AA/Positive (Reaffirmed)
Non Convertible Debentures Aggregating Rs.2000 Crore	CRISIL AA/Positive (Reaffirmed)
Non Convertible Debentures Aggregating Rs.4000 Crore	CRISIL AA/Positive (Reaffirmed)
Rs.4000 Crore Non Convertible Debentures	CRISIL AA/Positive (Reaffirmed)
Rs.304.2 Crore Non-Convertible Debentures	CRISIL AA/Positive (Reaffirmed)
Rs.1500 Crore Non Convertible Debentures	CRISIL AA/Positive (Reaffirmed)
Rs.251.80 Crore Non Convertible Debentures	CRISIL AA/Positive (Reaffirmed)
Rs.93.60 Crore Non Convertible Debentures	CRISIL AA/Positive (Reaffirmed)
Rs.2.80 Crore Non Convertible Debentures	CRISIL AA/Positive (Reaffirmed)
Rs.250 Crore Non Convertible Debentures	CRISIL AA/Positive (Reaffirmed)
Rs.10 Crore Subordinated Debt	CRISIL AA/Positive (Reaffirmed)
Rs.18.72 Crore Subordinated Debt	CRISIL AA/Positive (Reaffirmed)
Rs.31.78 Crore Subordinated Debt	CRISIL AA/Positive (Reaffirmed)
Rs.23.0392 Crore Subordinated Debt	CRISIL AA/Positive (Reaffirmed)
Rs.5000 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL has assigned its '**CRISIL PP-MLD AAr/Positive**' rating to Rs.350 crore Proposed Issuance of Long Term Principal Protected Market Linked Debentures of Muthoot Finance Limited (Muthoot Finance). The ratings on existing debt instruments have been assigned at '**CRISIL AA/CRISIL PP-MLD AAr/Positive/CRISIL A1+**'.

The ratings continue to factor in the established track record of Muthoot Finance's promoters in the gold financing capitalization and healthy profitability. The aforementioned strengths are partially offset by high geographical concentration of portfolio and operations in South India which accounted for 49% of the Assets under Management and housed 60% of the portfolio as of March 31, 2020 and; inherent challenges in profitably scaling up the non-gold loan segments.

The outlook remains driven by Muthoot Finance's demonstrated ability to sustain its strong financial risk profile while preserving its core gold loan business and maintaining asset quality. Having registered a 3 year CAGR of 17.8% - to achieve a consolidated AUM of Rs 46,871 crore as of March 31, 2020, the company continues to retain its leadership position among banking financial companies (NBFCs) in the gold financing business. The gold loan book grew at 14.4% CAGR over the last 3 years, while the non-gold segments registered a growth of over 300% over similar period, albeit on a smaller base. Asset quality remains strong, annualised credit costs has also been under control, despite non-performing asset (NPA) levels exhibiting a rise in 2018, though it has since moderated. Stage III assets stood at 2.2% as on March 31, 2020 as compared to 4.4% (gross NPAs) as of March 31, 2018.

Profitability has remained healthy over the years and, has improved further in the last 2-3 fiscals, evidenced by a consistent return on managed assets (RoMA) of 6.6% for fiscal 2020, against a RoMA of 3% for fiscal 2016. The improvement has been seen in operating margins and low credit costs (particularly after implementation of IndAS) and, further bolstered by increased collection efficiency.

The company has strengthened its capital position alongside ramp up in scale of operations, maintaining adequate and comfortable gearing during the course of it. Capitalisation remains strong as reflected in the reported networth of Rs 10,000 crore (consolidated), tier I capital adequacy of 24.3% (standalone) and a low gearing of 3.6 times at a consolidated level, on a standalone basis. Over the last 5 fiscals, gearing (standalone) has remained below 4 times whereas Tier I capital (standalone) adequacy has remained above 20%.

Apart from strengthening its standalone capital position, CRISIL believes that strong internal cash generation from gold loans will also help Muthoot Finance to prudently capitalise its subsidiaries as they diversify into other asset classes including vehicle finance and housing finance. Non-gold segments now constitute about 13% of the total loan portfolio.

In terms of funding, while a larger proportion of borrowing has been sourced as funding lines from banks and financial institutions, the company's resource profile remains diversified across avenues like non-convertible debentures and subordinated commercial paper (10%), External commercial borrowing (20%) and other sources (3%) 'as of March 31, 2020

The lockdown (presently effective till the end of July 2020 in most parts of the country) declared by the Government of India to contain the spread of the Novel Coronavirus (Covid-19) will have a near-term impact on disbursements and collections of financial assets. As the lockdown being in its sixth stage now, the relaxations have been granted in a phased manner - varying across geographical regions. Lifting of restrictions is also expected to be in a staggered manner. Any delay in return to normalcy will put further pressure on the asset quality metrics of companies. Additionally, any change in the behavior of borrowers on payment discipline may lead to delinquency levels. However, for Muthoot Finance, around 87% of the consolidated loan book is in the gold segment. In the gold segment, the portfolio loan to value (LTV) is comfortable due to the sharp increase in the gold prices. Hence, timely asset liquidation that credit losses are minimal, even if the company faces delinquencies. For the balance 13% of the portfolio, asset quality remains strong to manifest, especially in the microfinance segment.

On the liability side, the Reserve Bank of India (RBI) announced regulatory measures under 'Covid-19 - Regulatory Powers' which permitted lenders to grant moratorium on bank loans for a period of 3 months ending May 31, 2020, which was announced dated May 22, 2020 'was allowed to be extended by another 3 months till August 31, 2020. However, Muthoot Finance has not availed moratorium on its borrowings.

In terms of liquidity, the company has been able to roll over existing working capital lines and also raise incremental funding in the first quarter of fiscal 2021 and in the second quarter thus far, which has aided its liquidity cover. In terms of interest collection, in the gold loan portfolio, after a dip in April 2020, collections have started to revive at a healthy pace to restore to pre-covid-19 levels. The company will continue to monitor this trend closely.

Analytical Approach

To arrive at the rating, CRISIL has evaluated the consolidated business and financial risk profile of Muthoot Finance and its subsidiaries including Muthoot Homefin India Limited, Belstar Microfinance Limited and Muthoot Money Private Limited.

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

Key Rating Drivers & Detailed Description **Strengths**

* Established track record and brand name in gold financing industry

Muthoot Finance has sustained its leadership position in the gold financing segment, supported by the long and established track record of 80 years of its promoter family. The company has a large operational base of over 4,500 branches ' spanning across the country and has continued to support its market share of >45% within the universe of NBFCs carrying out gold loan business over the years. Despite modest volume growth, the company's gold AUM grew by 21.4% in fiscal 2020 to reach Rs 40,772 crore at the end of March 2020. The company's operating efficiency ' indicated in terms of gold AUM per branch ' remains high at Rs 8.9 crore as of March 2020, more than Rs 7.5 crore ' a year ago.

Muthoot Finance's extensive branch network and client base, which is relatively more diverse in terms of geographies and segments, improving further, will improve its competitive position over the medium term. While the company has started to diversify into other segments, its primary focus would remain on gold.

* Strong capitalisation

Muthoot Finance's capital position remains strong in relation to its scale and nature of operations, supported by its demonstrated ability to raise capital frequently and large accretions to networth. As of March 31, 2020, the company reported a consolidated networth of 11,829 crore and gearing remained comfortable at 3.6 times. Tier I and overall capital adequacy ratios on a standalone basis remained comfortably >20% over the last few years owing to moderated growth in business, and stood at 24.3% and 26.3% respectively on March 31, 2020. Over the medium term, the AUM in the gold loan segment is not expected to grow sharply and the other segments (affordable housing finance, and microfinance) would remain relatively small scale, therefore ' capitalisation is expected to remain adequate. Even after factoring in leverage in the key subsidiaries, CRISIL believes that consolidated gearing will remain comfortable over the medium term.

* Profitability to remain healthy

Profitability continues to improve reflected in standalone return on assets (RoA) of 6.8% for fiscal 2020 which was higher than the preceding fiscal. This improvement can be attributed to dedicated recovery efforts, favourable movement in gold price, and reduction in provisioning requirements after implementation of IndAS. Despite charging yields which are lower than industry average, the company has been able to sustain margins on account of its high operating efficiency.

Over fiscal 2019 and 2020, increased focus on collection of interest on a regular basis along with revision in its interest pricing schemes, has resulted in sustenance of margins. Additionally, operating expenses remained low and credit costs were under control on implementation of IndAS. Asset quality as measured by annualised credit costs has also been under control, despite a rise in non-performing asset (NPA) levels exhibiting a rise in Q4 of fiscal 2018, though it has since moderated. Stage III assets stood at 2.2% on March 31, 2020, as compared to 4.4% (GNPA of 7%) on March 31, 2018. Lower asset-side risk (security of gold, which is in lender's possession) helps in controlling credit costs in the gold finance business. Over the last three years, credit costs have been below 1% of total assets and for the current fiscal 2021, despite the expectation of a marginal uptick in consolidated credit costs due to Covid-19 disruption, profitability is expected to remain healthy in the normal course of business - supported by sustained operating expenses. As the group is diversifying into other segments, asset quality within non-gold businesses is expected to be monitorable.

Weaknesses

* Geographical and segmental concentration in operations

Despite gradual increase in diversification over time, Muthoot Finance's operations have a high degree of geographical and segmental concentration. South India accounted for 49% of the company's AUM and 60% of its branches as on March 31, 2020. Such concentration exposes the company vulnerabilities of economic, social, and political disruptions in the region. The implementation of the Kerala Money Lenders Act, 1958, for NBFCs could affect Muthoot Finance's lending rates and operating expenditure as the compliance requirements under the act would be rigorous and cumbersome. This will remain a key risk over the medium term.

In terms of concentration across segments, Muthoot Finance has steadily diversified its product suite across housing finance (Muthoot Homefin), microfinance (Belstar Microfinance), vehicle finance (Muthoot Money) and a few other segments. This expansion into other segments and growth of these businesses has resulted in their share in the consolidated AUM, going up to almost 13% as of March 2020. However, it still remains low ' reflecting high segmental concentration in AUM and revenue profile as majority income is derived from the gold loan business.

* Challenges associated with non-gold loan segments

Given the low track record and seasoning in the non-gold loan segments, the growth, asset quality and profitability in these segments are yet to stabilise. Within the housing finance segment, Muthoot Homefin operates in the affordable housing finance segment, which is a relatively new and emerging segment.

self-employed customers engaged in small business activities and thus, have a relatively weak credit risk profile because of the nature of their income and employment in un-organised segments. Therefore, the delinquencies from this book may not be as high as those from the portfolio achieves more seasoning. Similarly, microfinance loans, through which the company intends to cater to weaker sections of society, are unsecured in nature and are rendered to borrowers with a weak credit risk profile. This segment also exhibits sensitivity to local socio-political issues. The vehicle finance business, which is relatively new, deals with lending against commercial vehicles, the majority of which are old vehicles.

With respect to impact of covid-19, most of the smaller segments wherein the company operates - micro, small and medium (MSME) finance, home loans and micro finance, could still witness challenges, especially in the cash salaried asset segment, wherein income streams of borrowers is likely to be affected given the challenging macro environment. Collections from these segments have dropped during April and May. However, the group is taking steps to improve its collection from these businesses by engaging and reaching out to the borrowers.

From a longer term perspective, as the growth within these segments has remained limited as yet, the asset quality of these businesses will be a key monitorable.

Liquidity Strong

The lockdown (presently effective till the end of July 2020 in most parts of the country) declared by the Government of India to contain the spread of the Novel Coronavirus (Covid-19) will have a near-term impact on disbursements and collections of financial assets. As the lockdown being in its sixth stage now, the relaxations have been granted in a phased manner - varying across geographical regions. The lifting of restrictions is also expected to be in a staggered manner. Any delay in return to normalcy will put further pressure on the liquidity and asset quality metrics of companies. Additionally, any change in the behavior of borrowers on payment discipline may lead to higher delinquency levels. On the liability side, the Reserve Bank of India (RBI) announced regulatory measures under 'Covid Package', whereby lenders were permitted to grant moratorium on bank loans for a period of 3 months ending May 2020. The RBI announcement dated May 22, 2020 - was allowed to be extended by another 3 months on the lenders' discretion. The company has not availed moratorium on its borrowings.

The company's liquidity position remains adequate with cash and equivalents balance of Rs 9,113 crore as on July 20, 2020 (including un-utilized portion of existing term loans, Cash Credit and Working Capital Demand Loans). Liquidity cover for debt service obligations arising over the remaining days of July and August 2020, without factoring in any roll over or increase in debt, was at 1.8 times. Additionally, the company has been able to roll over/ issue facilities and has also received other support for the last 4 months.

Outlook: Positive

CRISIL believes the company will sustain its strong capitalisation and healthy profitability. Asset quality within the gold loan business, which accounts for a significant majority proportion of the AUM, would remain stable - supported by increased frequency of income and the highly liquid nature of the underlying security - gold - which should keep credit losses very low. For non-gold loan business, the maintenance of asset quality and profitability alongside growth, remains a monitorable.

Rating Sensitivity factors

Upward Factors

- * Maintaining its strong market position in the gold finance business while increasing diversity in AUM mix
- * Sustenance in profitability with RoMA at above 5% on a steady state basis, while improving asset quality

Downward factor

- * Significant and sustained deterioration in asset quality and profitability, leading to moderation in capital position - reflected in CAR declining to below 15%.
- * Inability to maintain momentum of growth in the gold loan business, resulting in a significant decline in market share.

About the Company

Muthoot Finance, an NBFC, was originally set up as a private limited company in 1997; this was reconstituted as a public limited company in November 2008. It provides finance against used household gold jewelry; the promoters' family has been in the business over seven decades, during the initial days - the business was carried out under the name 'Muthoot Bankers' which was a private firm. Muthoot Finance is the flagship company of the Muthoot group (promoters of Muthoot Finance), which is also involved in real estate, healthcare, media, education, information technology, foreign exchange, insurance distribution, and money transfer business.

Key Financial Indicators - Muthoot Finance (Standalone)

As on/for the period ended	Unit	Mar-20	Mar-19
Total managed assets	Rs crore	50459	38069
Total income	Rs crore	8723	6881
Profit after tax	Rs crore	3018	1972
Gross NPA	%	2.2	2.7
Gearing	Times	3.2	2.7
Return on managed assets (annualised)	%	6.8	5.7

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments and are included (where applicable) in the Annexure -- Details of Instrument in this Rating Rationale. For more details on the CRISIL complexity levels, please visit www.crisil.com/complexity-levels.

Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of Allotment	Coupon rate (%)	Matur
NA	Principle protected market linked debentures^	NA	NA	N
NA	Principle protected market linked debentures^	NA	NA	N
NA	Principle protected market linked debentures^	NA	NA	N
INE414G07EW5	Principle protected market linked debentures	09-Jul-2020	NA	08-Ju
INE414G07ES3	Principle protected market linked debentures	12-Jun-20	NA	10-J
NA	Subordinated debt^	NA	NA	N
NA	Debentures^	NA	NA	N
NA	Debentures^	NA	NA	N
NA	Debentures^	NA	NA	N
NA	Debentures^	NA	NA	N
INE414G07EX3	Secured Redeemable Non-Convertible Debentures	15-Jul-20	8.4	15-J
INE414G07EV7	Secured Redeemable Non-Convertible Debentures	07-Jul-20	8.3	08-A
INE414G07EU9	Secured Redeemable Non-Convertible Debentures	25-Jun-20	8.5	04-J
INE414G07ET1	Secured Redeemable Non-Convertible Debentures	18-Jun-20	9.5	18-J
INE414G07ER5	Secured Redeemable Non-Convertible Debentures	02-Jun-20	9.05	02-J
INE414G07EQ7	Secured Redeemable Non-Convertible Debentures	14-May-20	8.9	12-M
INE414G07EP9	Secured Redeemable Non-Convertible Debentures	24-Feb-20	9.5	11-M
INE414G07AS1	Secured Redeemable Non-Convertible Debentures	20-Jan-16	9.25 & 8.50	20-J
INE414G07AV5	Secured Redeemable Non-Convertible Debentures	20-Jan-16	9.50 & 8.75	20-J
INE414G07AZ6	Secured Redeemable Non-Convertible Debentures	20-Jan-16	N.A	20-J
INE414G07BQ3	Secured Redeemable Non-Convertible Debentures	30-Jan-17	9.00 & 8.75	30-J
INE414G07BT7	Secured Redeemable Non-Convertible Debentures	30-Jan-17	9.25 & 9.00	30-J
INE414G07CA5	Secured Redeemable Non-Convertible Debentures	24-Apr-17	8.75	24-A
INE414G07CD9	Secured Redeemable Non-Convertible Debentures	24-Apr-17	9	24-A
INE414G07CJ6	Secured Redeemable Non-Convertible Debentures	19-Apr-18	8.5	19-J
INE414G07CK4	Secured Redeemable Non-Convertible Debentures	19-Apr-18	8.75	19-A
INE414G07CM0	Secured Redeemable Non-Convertible Debentures	19-Apr-18	8.75	19-J
INE414G07CN8	Secured Redeemable Non-Convertible Debentures	19-Apr-18	9	19-A
INE414G07CQ1	Secured Redeemable Non-Convertible Debentures	19-Apr-18	N.A	19-J
INE414G07CR9	Secured Redeemable Non-Convertible Debentures	19-Apr-18	N.A	19-A
INE414G07CY5	Secured Redeemable Non-Convertible Debentures	20-Mar-19	N.A	20-M
INE414G07DB1	Secured Redeemable Non-Convertible Debentures	20-Mar-19	9.25	20-M
INE414G07DE5	Secured Redeemable Non-Convertible Debentures	20-Mar-19	9.5	20-M
INE414G07CZ2	Secured Redeemable Non-Convertible Debentures	20-Mar-19	N.A	20-M
INE414G07DC9	Secured Redeemable Non-Convertible Debentures	20-Mar-19	9.5	20-M
INE414G07DF2	Secured Redeemable Non-Convertible Debentures	20-Mar-19	9.75	20-M
INE414G07DA3	Secured Redeemable Non-Convertible Debentures	20-Mar-19	N.A	20-M

INE414G07DD7	Secured Redeemable Non-Convertible Debentures	20-Mar-19	9.75	20-M
INE414G07DG0	Secured Redeemable Non-Convertible Debentures	20-Mar-19	10	20-M
INE414G07DH8	Secured Redeemable Non-Convertible Debentures	14-Jun-19	9.25	14-J
INE414G07DK2	Secured Redeemable Non-Convertible Debentures	14-Jun-19	9.5	14-J
INE414G07DN6	Secured Redeemable Non-Convertible Debentures	14-Jun-19	N.A	14-J
INE414G07DI6	Secured Redeemable Non-Convertible Debentures	14-Jun-19	9.5	14-A
INE414G07DL0	Secured Redeemable Non-Convertible Debentures	14-Jun-19	9.75	14-A
INE414G07DO4	Secured Redeemable Non-Convertible Debentures	14-Jun-19	N.A	14-A
INE414G07DJ4	Secured Redeemable Non-Convertible Debentures	14-Jun-19	9.75	14-J
INE414G07DM8	Secured Redeemable Non-Convertible Debentures	14-Jun-19	10	14-J
INE414G07DP1	Secured Redeemable Non-Convertible Debentures	14-Jun-19	N.A	14-J
INE414G07DQ9	Secured Redeemable Non-Convertible Debentures	14-Jun-19	N.A	14-D
INE414G07DT3	Secured Redeemable Non-Convertible Debentures	01-Nov-19	9.25	01-N
INE414G07DU1	Secured Redeemable Non-Convertible Debentures	01-Nov-19	9.5	01-J
INE414G07DV9	Secured Redeemable Non-Convertible Debentures	01-Nov-19	N.A	01-N
INE414G07DW7	Secured Redeemable Non-Convertible Debentures	01-Nov-19	9.5	01-N
INE414G07DX5	Secured Redeemable Non-Convertible Debentures	01-Nov-19	9.75	01-J
INE414G07DY3	Secured Redeemable Non-Convertible Debentures	01-Nov-19	N.A	01-N
INE414G07DZ0	Secured Redeemable Non-Convertible Debentures	01-Nov-19	9.75	01-N
INE414G07EA1	Secured Redeemable Non-Convertible Debentures	01-Nov-19	10	01-J
INE414G07EB9	Secured Redeemable Non-Convertible Debentures	01-Nov-19	N.A	01-N
INE414G07EC7	Secured Redeemable Non-Convertible Debentures	01-Nov-19	N.A	01-M
INE414G07EH6	Secured Redeemable Non-Convertible Debentures	27-Dec-19	9.25	27-D
INE414G07EI4	Secured Redeemable Non-Convertible Debentures	27-Dec-19	9.5	27-F
INE414G07EJ2	Secured Redeemable Non-Convertible Debentures	27-Dec-19	N.A	27-D
INE414G07EK0	Secured Redeemable Non-Convertible Debentures	27-Dec-19	9.5	27-D
INE414G07EL8	Secured Redeemable Non-Convertible Debentures	27-Dec-19	9.75	27-F
INE414G07EM6	Secured Redeemable Non-Convertible Debentures	27-Dec-19	N.A	27-D
INE414G07ED5	Secured Redeemable Non-Convertible Debentures	27-Dec-19	9.75	27-D
INE414G07EE3	Secured Redeemable Non-Convertible Debentures	27-Dec-19	10	27-F
INE414G07EF0	Secured Redeemable Non-Convertible Debentures	27-Dec-19	N.A	27-D
INE414G07EG8	Secured Redeemable Non-Convertible Debentures	27-Dec-19	N.A	27-J
INE414G07CS7	Secured Redeemable Non-Convertible Debentures	26-Jul-18	9.75	26-J
INE414G08306	Subordinated Debt	20-Jan-16	N.A	20-A
INE414G08330	Subordinated Debt	30-Jan-17	N.A	30-J
INE414G08348	Subordinated Debt	24-Apr-17	N.A	24-A
INE414G09015	Subordinated Debt	26-Mar-13	N.A	26-M
N.A.	Commercial Paper	N.A	N.A	7-36M

^Yet to be issued

Annexure - List of Entities Consolidated

Entity consolidated	Extent of consolidation
Muthoot Homefin (India) Ltd	Full Consolidation
Belstar Microfinance Private Limited	Full Consolidation
Muthoot Money Limited	Full Consolidation

Annexure - Rating History for last 3 Years

Instrument	Current			2020 (History)		2019	
	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating
Commercial Paper	ST	5000.00	CRISIL A1+	16-07-20	CRISIL A1+	18-01-19	CRISIL A1+
				03-07-20	CRISIL A1+		
				26-06-20	CRISIL A1+		
				15-06-20	CRISIL A1+		
				05-06-20	CRISIL A1+		
				03-03-20	CRISIL A1+		
				02-03-20	CRISIL A1+		
				31-01-20	CRISIL A1+		
Long Term Principal Protected Market Linked Debentures	LT	1000.00 24-07-20	CRISIL PP-MLD AAr/Positive	16-07-20	CRISIL PP-MLD AAr/Positive		--
				03-07-20	CRISIL PP-MLD AAr/Positive		
				26-06-20	CRISIL PP-MLD AAr/Positive		
				15-06-20	CRISIL PP-MLD AAr/Positive		
				05-06-20	CRISIL PP-MLD AAr/Positive		
Non Convertible Debentures	LT	14402.42 24-07-20	CRISIL AA/Positive	16-07-20	CRISIL AA/Positive	18-01-19	CRISIL AA/Sta
				03-07-20	CRISIL AA/Positive		
				26-06-20	CRISIL AA/Positive		
				15-06-20	CRISIL AA/Positive		
				05-06-20	CRISIL AA/Positive		
				03-03-20	CRISIL AA/Positive		
				02-03-20	CRISIL AA/Positive		
				31-01-20	CRISIL AA/Positive		
Short Term Debt	ST						
Subordinate Bond	LT		--	03-07-20	Withdrawal	18-01-19	CRISIL AA/Sta
				26-06-20	CRISIL AA/Positive		
				15-06-20	CRISIL AA/Positive		
				05-06-20	CRISIL AA/Positive		
				03-03-20	CRISIL AA/Positive		
				02-03-20	CRISIL AA/Positive		
				31-01-20	CRISIL AA/Positive		
Subordinated Debt	LT	283.80 24-07-20	CRISIL AA/Positive	16-07-20	CRISIL AA/Positive	18-01-19	CRISIL AA/Sta
				03-07-20	CRISIL AA/Positive		
				26-06-20	CRISIL AA/Positive		

				15-06-20	CRISIL AA/Positive		
				05-06-20	CRISIL AA/Positive		
				03-03-20	CRISIL AA/Positive		
				02-03-20	CRISIL AA/Positive		
				31-01-20	CRISIL AA/Positive		

All amounts are in Rs.Cr.

Links to related criteria

[CRISILs Bank Loan Ratings - process, scale and default recognition](#)

[Rating Criteria for Finance Companies](#)

[CRISILs Criteria for Consolidation](#)

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

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Ref: - 18992/ITSL/OPR/2020-21
Date: September 30, 2020

Muthoot Finance Limited

2nd Floor, Muthoot Chambers, Opposite Saritha Theatre Complex,
Banerji Road, Kochi 682 018, India.

Dear Sirs,

Sub: PUBLIC ISSUE BY MUTHOOT FINANCE LIMITED, ("COMPANY" OR "ISSUER") OF SECURED AND OR UNSECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF RS. 1,000 EACH, ("NCDs"), FOR AN AMOUNT UP TO RS. 40,000 MILLION ("SHELF LIMIT") HEREINAFTER REFERRED TO AS THE "ISSUE". THE NCDs WILL BE ISSUED IN ONE OR MORE TRANCHEs, ON TERMS AND CONDITIONS AS SET OUT IN THE RELEVANT TRANCHE PROSPECTUS FOR ANY TRANCHE ISSUE (EACH A "TRANCHE ISSUE").

We, IDBI Trusteeship Services Limited, hereby give our consent to our name being included as Debenture Trustee to the Issue in accordance with Regulation 4(4) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 in the Draft Shelf Prospectus to be filed with the BSE Limited where the NCDs are proposed to be listed for the purposes of receiving public comments and with the Securities and Exchange Board of India ("SEBI"); and the Shelf Prospectus and the Tranche Prospectus(es) to be filed with the Registrar of Companies, Kerala and Lakshadweep ("RoC"), BSE and SEBI in respect of the Issue and all related advertisements, and subsequent periodical communications sent to the holders of the NCDs pursuant to the Issue.

We hereby authorise you to deliver this letter of consent to BSE, the RoC and/or such other regulatory authority, as may be required by law.

The following details with respect to us may be disclosed:

Name: IDBI Trusteeship Services Limited
Address: Asian Building, Ground Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001.
Tel: (91)2240807026
Fax: 022-6631 1776
E-mail: Anjalee@idbitrustee.com
Investor Grievance E-mail Id: itsl@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Ms. Anjalee Athalye
SEBI Registration Number: IND000000460

We certify that we have not been prohibited from SEBI to act as an intermediary in capital market issues. We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We further confirm that no enquiry / investigation is being conducted by SEBI on us. Copy of our SEBI registration certificate and declaration regarding our registration with SEBI in the required format is attached as **Annexure A**.

We shall immediately intimate the Lead Managers and Issuer of any changes, additions or deletions in respect of the aforestated details till the date when the NCDs of the Issuer offered, issued and allotted pursuant to the Issue, are traded on the Stock Exchanges. In absence of any such communication from us, the above information should be taken as updated information until the listing and commencement of trading of the NCDs on the Stock Exchanges.

We also agree to keep strictly confidential, until such time the proposed Issue is publicly announced by the Company in the form of a press release, (i) the nature and scope of the Issue; and (ii) our knowledge of the Issue of the Company.

Yours faithfully,

For IDBI Trusteeship Services Limited



Authorised Signatory

Name: Niharika Shinde- Dey

Designation: Authorised Signatory

Annexure A

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” is true and correct:

Sr. No.	Details	Confirmation
1.	Registration Number	IND000000460
2.	Date of registration / <u>date of last renewal of registration</u> / date of application for renewal of registration	February 14,2017
3.	Date of expiry of registration	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

SCHEDULE A | CASH FLOWS FOR VARIOUS OPTIONS

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

Option I

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Number of NCDs held (assumed)	1
Issue Date/ Date of Allotment (assumed)*	October 27, 2020 / November 26, 2020
Tenor	38 Months
Coupon Rate for Category I investors and Category II investors (p.a)	7.15%
Coupon Rate for Category III investors and Category IV investors (p.a)	7.40%
Redemption Date (assumed)	January 26, 2024
Frequency of the interest payment with specified dates	First interest on January 01, 2021 and subsequently on the 1st day of every month.
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines. Subject to further change

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹)	
				Category I and II Investors	Category III and IV Investors
1st Coupon	Friday, January 1, 2021	Friday, January 1, 2021	36	7.05	7.30
2nd Coupon	Monday, February 1, 2021	Monday, February 1, 2021	31	6.07	6.28
3rd Coupon	Monday, March 1, 2021	Monday, March 1, 2021	28	5.48	5.68
4th Coupon	Thursday, April 1, 2021	Thursday, April 1, 2021	31	6.07	6.28
5th Coupon	Saturday, May 1, 2021	Monday, May 3, 2021	30	5.88	6.08
6th Coupon	Tuesday, June 1, 2021	Tuesday, June 1, 2021	31	6.07	6.28
7th Coupon	Thursday, July 1, 2021	Thursday, July 1, 2021	30	5.88	6.08
8th Coupon	Sunday, August 1, 2021	Monday, August 2, 2021	31	6.07	6.28
9th Coupon	Wednesday, September 1, 2021	Wednesday, September 1, 2021	31	6.07	6.28
10th Coupon	Friday, October 1, 2021	Friday, October 1, 2021	30	5.88	6.08
11th Coupon	Monday, November 1, 2021	Monday, November 1, 2021	31	6.07	6.28
12th Coupon	Wednesday, December 1, 2021	Wednesday, December 1, 2021	30	5.88	6.08
13th Coupon	Saturday, January 1, 2022	Saturday, January 1, 2022	31	6.07	6.28
14th Coupon	Tuesday, February 1, 2022	Tuesday, February 1, 2022	31	6.07	6.28
15th Coupon	Tuesday, March 1, 2022	Tuesday, March 1, 2022	28	5.48	5.68
16th Coupon	Friday, April 1, 2022	Friday, April 1, 2022	31	6.07	6.28
17th	Sunday, May 1, 2022	Monday, May 2, 2022	30		

Coupon				5.88	6.08
18th Coupon	Wednesday, June 1, 2022	Wednesday, June 1, 2022	31	6.07	6.28
19th Coupon	Friday, July 1, 2022	Friday, July 1, 2022	30	5.88	6.08
20th Coupon	Monday, August 1, 2022	Monday, August 1, 2022	31	6.07	6.28
21st Coupon	Thursday, September 1, 2022	Thursday, September 1, 2022	31	6.07	6.28
22nd Coupon	Saturday, October 1, 2022	Saturday, October 1, 2022	30	5.88	6.08
23rd Coupon	Tuesday, November 1, 2022	Tuesday, November 1, 2022	31	6.07	6.28
24th Coupon	Thursday, December 1, 2022	Thursday, December 1, 2022	30	5.88	6.08
25th Coupon	Sunday, January 1, 2023	Monday, January 2, 2023	31	6.07	6.28
26th Coupon	Wednesday, February 1, 2023	Wednesday, February 1, 2023	31	6.07	6.28
27th Coupon	Wednesday, March 1, 2023	Wednesday, March 1, 2023	28	5.48	5.68
28th Coupon	Saturday, April 1, 2023	Saturday, April 1, 2023	31	6.07	6.28
29th Coupon	Monday, May 1, 2023	Tuesday, May 2, 2023	30	5.88	6.08
30th Coupon	Thursday, June 1, 2023	Thursday, June 1, 2023	31	6.07	6.28
31st Coupon	Saturday, July 1, 2023	Saturday, July 1, 2023	30	5.88	6.08
32nd Coupon	Tuesday, August 1, 2023	Tuesday, August 1, 2023	31	6.07	6.28
33rd Coupon	Friday, September 1, 2023	Friday, September 1, 2023	31	6.07	6.28
34th Coupon	Sunday, October 1, 2023	Tuesday, October 3, 2023	30	5.88	6.08
35th Coupon	Wednesday, November 1, 2023	Wednesday, November 1, 2023	31	6.07	6.28
36th Coupon	Friday, December 1, 2023	Friday, December 1, 2023	30	5.88	6.08
37th Coupon	Monday, January 1, 2024	Monday, January 1, 2024	31	6.07	6.28
38th Coupon	Friday, January 26, 2024	Thursday, January 25, 2024	24	4.69	4.85
Principal/ Maturity value	Friday, January 26, 2024	Thursday, January 25, 2024		1,000.00	1,000.00
Total				1,226.21	1,234.03

Option II

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Number of NCDs held (assumed)	1
Issue Date/ Date of Allotment (assumed)*	October 27, 2020 / November 26, 2020
Tenor	60 Months
Coupon Rate for Category I investors and Category II investors (p.a)	7.50%
Coupon Rate for Category III investors and Category IV investors (p.a)	7.75%
Redemption Date (assumed)	November 26, 2025
Frequency of the interest payment with specified dates	First interest on January 01, 2021 and subsequently on the 1st day of every month.
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines. Subject to further change

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹)	
				Category I and II Investors	Category III and IV Investors
1st Coupon	Friday, January 1, 2021	Friday, January 1, 2021	36	7.40	7.64
2nd Coupon	Monday, February 1, 2021	Monday, February 1, 2021	31	6.37	6.58
3rd Coupon	Monday, March 1, 2021	Monday, March 1, 2021	28	5.75	5.95
4th Coupon	Thursday, April 1, 2021	Thursday, April 1, 2021	31	6.37	6.58
5th Coupon	Saturday, May 1, 2021	Monday, May 3, 2021	30	6.16	6.37
6th Coupon	Tuesday, June 1, 2021	Tuesday, June 1, 2021	31	6.37	6.58
7th Coupon	Thursday, July 1, 2021	Thursday, July 1, 2021	30	6.16	6.37
8th Coupon	Sunday, August 1, 2021	Monday, August 2, 2021	31	6.37	6.58
9th Coupon	Wednesday, September 1, 2021	Wednesday, September 1, 2021	31	6.37	6.58
10th Coupon	Friday, October 1, 2021	Friday, October 1, 2021	30	6.16	6.37
11th Coupon	Monday, November 1, 2021	Monday, November 1, 2021	31	6.37	6.58
12th Coupon	Wednesday, December 1, 2021	Wednesday, December 1, 2021	30	6.16	6.37
13th Coupon	Saturday, January 1, 2022	Saturday, January 1, 2022	31	6.37	6.58
14th Coupon	Tuesday, February 1, 2022	Tuesday, February 1, 2022	31	6.37	6.58
15th Coupon	Tuesday, March 1, 2022	Tuesday, March 1, 2022	28	5.75	5.95
16th Coupon	Friday, April 1, 2022	Friday, April 1, 2022	31	6.37	6.58
17th Coupon	Sunday, May 1, 2022	Monday, May 2, 2022	30	6.16	6.37
18th Coupon	Wednesday, June 1, 2022	Wednesday, June 1, 2022	31	6.37	6.58
19th Coupon	Friday, July 1, 2022	Friday, July 1, 2022	30	6.16	6.37
20th Coupon	Monday, August 1, 2022	Monday, August 1, 2022	31	6.37	6.58
21st Coupon	Thursday, September 1, 2022	Thursday, September 1, 2022	31	6.37	6.58
22nd Coupon	Saturday, October 1, 2022	Saturday, October 1, 2022	30	6.16	6.37
23rd Coupon	Tuesday, November 1, 2022	Tuesday, November 1, 2022	31	6.37	6.58
24th Coupon	Thursday, December 1, 2022	Thursday, December 1, 2022	30	6.16	6.37
25th Coupon	Sunday, January 1, 2023	Monday, January 2, 2023	31	6.37	6.58
26th Coupon	Wednesday, February 1, 2023	Wednesday, February 1, 2023	31	6.37	6.58
27th Coupon	Wednesday, March 1, 2023	Wednesday, March 1, 2023	28	5.75	5.95
28th Coupon	Saturday, April 1, 2023	Saturday, April 1, 2023	31	6.37	6.58
29th Coupon	Monday, May 1, 2023	Tuesday, May 2, 2023	30	6.16	6.37
30th Coupon	Thursday, June 1, 2023	Thursday, June 1, 2023	31	6.37	6.58
31st Coupon	Saturday, July 1, 2023	Saturday, July 1, 2023	30	6.16	6.37

32nd Coupon	Tuesday, August 1, 2023	Tuesday, August 1, 2023	31	6.37	6.58
33rd Coupon	Friday, September 1, 2023	Friday, September 1, 2023	31	6.37	6.58
34th Coupon	Sunday, October 1, 2023	Tuesday, October 3, 2023	30	6.16	6.37
35th Coupon	Wednesday, November 1, 2023	Wednesday, November 1, 2023	31	6.37	6.58
36th Coupon	Friday, December 1, 2023	Friday, December 1, 2023	30	6.16	6.37
37th Coupon	Monday, January 1, 2024	Monday, January 1, 2024	31	6.37	6.58
38th Coupon	Thursday, February 1, 2024	Thursday, February 1, 2024	31	6.35	6.56
39th Coupon	Friday, March 1, 2024	Friday, March 1, 2024	29	5.94	6.14
40th Coupon	Monday, April 1, 2024	Monday, April 1, 2024	31	6.35	6.56
41st Coupon	Wednesday, May 1, 2024	Thursday, May 2, 2024	30	6.15	6.35
42nd Coupon	Saturday, June 1, 2024	Saturday, June 1, 2024	31	6.35	6.56
43rd Coupon	Monday, July 1, 2024	Monday, July 1, 2024	30	6.15	6.35
44th Coupon	Thursday, August 1, 2024	Thursday, August 1, 2024	31	6.35	6.56
45th Coupon	Sunday, September 1, 2024	Monday, September 2, 2024	31	6.35	6.56
46th Coupon	Tuesday, October 1, 2024	Tuesday, October 1, 2024	30	6.15	6.35
47th Coupon	Friday, November 1, 2024	Friday, November 1, 2024	31	6.35	6.56
48th Coupon	Sunday, December 1, 2024	Monday, December 2, 2024	30	6.15	6.35
49th Coupon	Wednesday, January 1, 2025	Wednesday, January 1, 2025	31	6.35	6.56
50th Coupon	Saturday, February 1, 2025	Saturday, February 1, 2025	31	6.37	6.58
51st Coupon	Saturday, March 1, 2025	Saturday, March 1, 2025	28	5.75	5.95
52nd Coupon	Tuesday, April 1, 2025	Tuesday, April 1, 2025	31	6.37	6.58
53rd Coupon	Thursday, May 1, 2025	Friday, May 2, 2025	30	6.16	6.37
54th Coupon	Sunday, June 1, 2025	Monday, June 2, 2025	31	6.37	6.58
55th Coupon	Tuesday, July 1, 2025	Tuesday, July 1, 2025	30	6.16	6.37
56th Coupon	Friday, August 1, 2025	Friday, August 1, 2025	31	6.37	6.58
57th Coupon	Monday, September 1, 2025	Monday, September 1, 2025	31	6.37	6.58
58th Coupon	Wednesday, October 1, 2025	Wednesday, October 1, 2025	30	6.16	6.37
59th Coupon	Saturday, November 1, 2025	Saturday, November 1, 2025	31	6.37	6.58
60th Coupon	Wednesday, November 26, 2025	Wednesday, November 26, 2025	25	5.14	5.31
Principal/ Maturity value	Wednesday, November 26, 2025	Wednesday, November 26, 2025		1000.00	1000.00
Total				1,374.92	1,387.42

Option III

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Number of NCDs held (assumed)	1
Issue Date/ (assumed)*	October 27, 2020 / November 26, 2020

Tenor	38 Months
Coupon Rate for Category I investors and Category II investors (p.a)	7.40%
Coupon Rate for Category III investors and Category IV investors (p.a)	7.65%
Redemption Date (assumed)	January 26, 2024
Frequency of the interest payment with specified dates	First interest on November 26, 2021 and subsequently on November 26th every year
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines. Subject to further change

Cash Flows	Due Date	payment	Date of a	No. of days in Coupon Period	Amount (in ₹)	Amount (in ₹)
					Category I & II investors	Category III & IV investors
1st coupon	Friday, November 26, 2021	Friday, November 26, 2021		365	74.00	76.50
2nd coupon	Saturday, November 26, 2022	Monday, November 28, 2022		365	74.00	76.50
3rd coupon	Sunday, November 26, 2023	Monday, November 27, 2023		365	74.00	76.50
4th coupon	Friday, January 26, 2024	Thursday, January 25, 2024		60	12.16	12.58
Principal/ Maturity value	Friday, January 26, 2024	Thursday, January 25, 2024			1,000.00	1000.00
Total					1,234.16	1,242.08

Option IV

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Number of NCDs held (assumed)	1
Issue Date/ Date of Allotment (assumed)*	October 27, 2020 / November 26, 2020
Tenor	60 Months
Coupon Rate for Category I investors and Category II investors (p.a)	7.75%
Coupon Rate for Category III investors and Category IV investors (p.a)	8.00%
Redemption Date (assumed)	November 26, 2025
Frequency of the interest payment with specified dates	First interest on November 26, 2021 and subsequently on November 26th every year
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines. Subject to further change

Cash Flows	Due Date	payment	Date of a	No. of days in Coupon Period	Amount (in ₹)	Amount (in ₹)
					Category I & II investors	Category III & IV investors
1st coupon	Friday, November 26, 2021	Friday, November 26, 2021		365	77.50	80.00

2nd coupon	Saturday, November 26, 2022	Monday, November 28, 2022	365	77.50	80.00
3rd coupon	Sunday, November 26, 2023	Monday, November 27, 2023	365	77.50	80.00
4th coupon	Tuesday, November 26, 2024	Tuesday, November 26, 2024	366	77.50	80.00
5th coupon	Wednesday, November 26, 2025	Wednesday, November 26, 2025	365	77.50	80.00
Principal/ Maturity value	Wednesday, November 26, 2025	Wednesday, November 26, 2025		1,000.00	1000.00
Total				1,387.50	1,400.00

Option V

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Number of NCDs held (assumed)	1
Issue Date/ Date of Allotment (assumed)*	October 27, 2020 / November 26, 2020
Tenor	38 Months
Coupon Rate for Category I investors and Category II investors (p.a)	NA
Coupon Rate for Category III investors and Category IV investors (p.a)	NA
Redemption Date (assumed)	January 26, 2024
Frequency of the interest payment with specified dates	NA
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines. Subject to further change

Cash Flows	Due Date	payment	Date of	No. of days in Coupon Period	Amount (in ₹)	Amount (in ₹)
					Category I & II of investors	Category III & IV of investors
Principal / Maturity value	Friday, January 26, 2024	Thursday, January 25, 2024			1,254.11	1,263.41
Total					1,254.11	1,263.41

Option VI

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Number of NCDs held (assumed)	1
Issue Date/ Date of Allotment (assumed)*	October 27, 2020 / November 26, 2020
Tenor	60 Months
Coupon Rate for Category I investors and Category II investors (p.a)	NA
Coupon Rate for Category III investors and Category IV investors (p.a)	NA
Redemption Date (assumed)	November 26, 2025

Frequency of the interest payment with specified dates	NA
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines. Subject to further change

Cash Flows	Due Date	payment	Date of	No. of days in Coupon Period	Amount (in ₹)	Amount (in ₹)
					Category I & II of investors	Category III & IV of investors
Principal / Maturity value	Wednesday, November 26, 2025		Wednesday, November 26, 2025		1,452.40	1,469.33
Total					1,452.40	1,469.33

Assumptions:

1. The Deemed Date of Allotment is assumed to be November 26, 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 Year 2024 being leap year, 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 ₹ 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. The Coupon/ Interest Payments are rounded-off to nearest rupee as per FIMMDA "Handbook on market practices".