

Serial no. _____
Addressed to: _____

INFORMATION MEMORANDUM



MUTHOOT HOUSING FINANCE COMPANY LIMITED

CIN : U65922KL2010PLC025624

A public limited company incorporated under the Companies Act, 1956

Date of Incorporation: March 05, 2010

Registered Office: TC NO 14/2074- 7 Muthoot Centre,

Punnen Road, Thiruvananthapuram, Kerala 695034

Corporate Office: 12A-01 13th Floor, Parinee Crescenzo, C 38-39, Block G,

Bandra Kurla Complex, Bandra East, Mumbai 400051

Telephone No : 022 62728534

Website: www.muthoothousing.com

Information Memorandum for issue of Debentures on a private placement basis on,
March 15, 2018

Issue of 200 (Two Hundred only), Rated, Secured, Unlisted, Redeemable, Non-convertible Debentures of face value of Rs.10,00,000/- (Rupees Ten Lakhs only) each, at par, aggregating up to Rs. 200,000,000 (Rupees Twenty Crores Only) on a private placement basis (the "Issue")

Background

This Information Memorandum is related to the Debentures to be issued by Muthoot Housing Finance Company Limited ("MHFL") (the "Issuer" or "Company") on a private placement basis and contains relevant information and disclosures required for the purpose of issuing of the Debentures. The issue of the Debentures comprised in the Issue and described under this Information Memorandum has been authorised by the Issuer through resolutions passed by the shareholders of the Issuer on December 13, 2017 and the Board of Directors of the Issuer on February 19, 2018 and the Memorandum and Articles of Association of the Company. Pursuant to the resolution passed by the Company's shareholders dated June 12, 2017 in accordance with provisions of the Companies Act, 2013, the Company has been authorised to borrow, upon such terms and conditions as the Board may think fit for amounts up to INR 900,00,00,000 (Rupees Nine Hundred Crore only). The present issue of NCDs in terms of this Information Memorandum is within the overall powers of the Board as per the above shareholder resolution(s).

Credit Rating

The Debentures proposed to be issued by the Issuer have been rated by CRISIL Limited ("Rating Agency / CRISIL"). The Rating Agency has vide its letter dated December 14, 2018 assigned a rating of "BBB+ (Triple B plus)" in respect of the Debentures. The above rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the rating agency and should be evaluated independently of any other ratings. Please refer to Annexure II of this Information Memorandum for the letter dated December 14, 2017 from the Rating Agency assigning the credit rating above mentioned and the letter dated December 15, 2017 issued by the Rating Agency disclosing the rating rationale adopted for the aforesaid rating.

Issue Schedule

Issue Opens on: March 15, 2018

Issue Closing on: March 20, 2018

Deemed Date of Allotment: March 20, 2018



Information Memorandum

Date: March 15, 2018

Private & Confidential

For Private Circulation Only

(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

The Issuer reserves the right to change the Issue Schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue shall be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

Registrar and Transfer Agent



Karvy Computershare Pvt. Limited

Plot No. 17-24, Vittal Rao Nagar,
Madhapur, Hyderabad 500 081

Sole Arrangers



Vivrit Capital Private Ltd.

12th floor, Prestige Polygon,
Anna Salai, Rathna Nagar,
Teynampet, Chennai,
Tamil Nadu - 600035

Debenture Trustee



Catalyst Trusteeship Limited

GDA House, Plot No. 85,
Bhusari Colony (Right), Paud Road,
Pune - 411038 Maharashtra



TABLE OF CONTENTS

SECTION 1:	DEFINITIONS AND ABBREVIATIONS	4
SECTION 2:	NOTICE TO INVESTORS AND DISCLAIMERS	10
SECTION 3:	RISK FACTORS	13
SECTION 4:	FINANCIAL STATEMENTS	16
SECTION 5:	REGULATORY DISCLOSURES	17
SECTION 6:	TRANSACTION DOCUMENTS AND KEY TERMS	38
SECTION 7:	DISCLOSURES PERTAINING TO WILFUL DEFAULT	53
SECTION 8:	OTHER INFORMATION AND APPLICATION PROCESS	54
SECTION 9:	DIRECTOR DECLARATION	61
ANNEXURE I:	TERM SHEET	62
ANNEXURE II:	RATING LETTER& RATING RATIONALE	63
ANNEXURE III:	CONSENT LETTER FROM THE DEBENTURE TRUSTEE	67
ANNEXURE IV:	APPLICATION FORM	68
ANNEXURE V:	LAST AUDITED FINANCIAL STATMENTS	71
ANNEXURE VI:	ILLUSTRATION OF BOND CASH FLOWS	77



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SECTION 1: DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates or requires, the following terms shall have the meanings given below in this Information Memorandum.

Act	Means the Companies Act, 2013 ("2013 Act"), and for any matters or affairs prior to the notification of the relevant provisions of the Companies Act, 2013, the Companies Act, 1956 ("1956 Act"), and shall include any re-enactment, amendment or modification of the Companies Act, 2013, as in effect from time to time.
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures pursuant to the Issue.
Application Form	The form used by the recipient of the Disclosure Documents, to apply for subscription to the Debentures, which is in the form annexed to this Information Memorandum and marked as Annexure IV.
Application Money	Means the subscription monies paid by the Debenture Holders at the time of submitting the Application Form.
Applicant	Means a person who has submitted a completed Application Form to the Company.
Applicable Law	Includes all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Governmental Authority and any modifications or re-enactments thereof.
Assets	Means, for any date of determination, the assets of the Company on such date as the same would be determined in accordance with Indian GAAP.
Beneficial Owner(s)	Means the holder(s) of the Debentures in dematerialized form whose name is recorded as such with the Depository in the Register of Beneficial Owners.
Board/Board of Directors	The Board of Directors of the Issuer
Business Day	Means a day (other than a public holiday or a Sunday) on which banks are normally open for business in Mumbai and Chennai, India;
Capital Adequacy Ratio	Means the capital adequacy ratio as defined under the NBFC Directions.
Charged Receivables	Has the meaning given to it in Section 5.23
Crore	Ten Million
CDSL	Central Depository Services (India) Limited
CITES	Means the Convention on International Trade in Endangered Species or Wild Fauna and Flora, including the protected flora and fauna as demonstrated on the website: www.cites.org .
Client Loan	Means each loan made by the Company as a lender including managed portfolio.
Constitutional Documents	Means the certificate of incorporation of the Company, memorandum of association of the Company, articles of association of the Company and the certificate of registration issued by the NHB to the Company.
CERSAI	means Central Registry of Securitisation Asset Reconstruction and Security Interest of India.
Conditions Precedent	Means the conditions set out in Section 5.23.
Conditions Subsequent	Means the conditions set out in Section 5.23.
Debentures / NCDs	200 (Two Hundred) Rated, Secured, Unlisted, Redeemable Non-Convertible Debentures bearing a face value of Rs. 10,00,000/- (Rs. Ten Lakhs Only) each, aggregating up to Rs. 20,00,00,000/- (Rupees Twenty Crores Only)
Debenture Holders / Investors	The holders of the Debentures issued by the Issuer and shall include the registered transferees of the Debentures from time to time and the Beneficial Owners.



Deemed Date of Allotment	March 20, 2018
Debenture Trust Deed or DTD	The debenture trust deed executed or to be executed by and between the Issuer and the Debenture Trustee which sets out the terms upon which the Debentures are being issued and includes the representations, warranties and covenants being provided by the Issuer.
Deed of Hypothecation	Means the unaltered deed of hypothecation executed or to be executed by the Company in a form acceptable to the Debenture Trustee
Debenture Trustee	Catalyst Trusteeship Limited
Debenture Trustee Agreement	Agreement executed or to be executed by and between the Debenture Trustee and the Company for the purposes of appointment of the Debenture Trustee to act as debenture trustee in connection with the issuance of the Debentures.
Demat	Refers to dematerialized securities which are securities that are in electronic form, and not in physical form, with the entries noted by the Depository.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository	Means the depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996, as amended from time to time, with whom the Company has made arrangements for dematerialising the Debentures, being CDSL and NSDL
Depository Participant / DP	A depository participant as defined under the Depositories Act.
Director(s)	Director(s) of the Issuer.
Disclosure Documents	Mean collectively, the Information Memorandum and the Private Placement Offer Letter
Information Memorandum	This document which sets out the information regarding the Debentures being issued on a private placement basis.
DP ID	Depository Participant Identification Number.
Due Date	Means the date on which any interest or liquidated damages, any Redemption Payment or premature redemption amount and/or any other monies payable, are due and payable
Eligible Investors	Shall have the meaning specified in Section 8.15 below
Equity	Means the total equity of the Company, including shareholder's equity, reserves, retained earnings or losses and current year accumulated Net Income or loss but excluding Subordinated Debt.
Event of Default	Means the events set out in Section 6.7
Exclusion List	Means any activity including (a) production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances, PCBs, wildlife or products regulated under CITES, (b) production or trade in weapons and munitions, (c) production or trade in alcoholic beverages (excluding beer and wine), (d) production or trade in tobacco, (e) gambling, casinos and equivalent enterprises, (f) production or trade in radioactive materials (this does not apply to the purchase of medical equipment, quality control (measurement) equipment), (g) production or trade in unbonded asbestos fibers (this does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%), (h) drift net fishing in the marine environment using nets in excess of 2.5 km. in length, (i) production or activities involving harmful or exploitative forms of forced labor, or harmful child labor, (j) production, trade, storage, or transport of significant volumes of hazardous chemicals, or commercial scale usage of hazardous chemicals (hazardous chemicals include gasoline, kerosene, and other petroleum products), (k) production or activities that impinge on the lands owned, or claimed under adjudication, by indigenous peoples, without full documented consent of such peoples, (l) which may result in funding or supporting any



	individual or organisation designated as: (i) terrorists or terrorist organizations by the United Nations, the European Union and any other applicable country; (ii) persons, groups or entities which are subject to United Nations, European Union and the US Office of Foreign Asset Control (OFAC) sanctions.
EFT	Electronic Fund Transfer
Financial Year/FY	Each 12 (twelve) month period commencing from April 1 of a particular calendar year and ending on March 31 of the subsequent calendar year.
Final Settlement Date	Means the date on which all obligations of the have been irrevocably and unconditionally paid and discharged in full to the satisfaction of the Debenture Holders.
Governmental Authority	Shall mean any government (central, state or otherwise) or any governmental agency, semi-governmental or judicial or quasi-judicial or administrative entity, department or authority, agency or authority including any stock exchange or any self-regulatory organization, established under any Applicable Law.
Gross Loan Portfolio	Means and includes the outstanding principal amount of all Client Loans originated by the Company on its own books and the Off Balance Sheet Portfolio.
Initial Security Creation Date	Means the date on which the receivables whose value in aggregate is no less than the Security Cover, are charged in favour of the Debenture Trustee (in accordance with the Deed of Hypothecation). PROVIDED THAT such date shall occur on or before 30 (Thirty) calendar days from the Deemed Date of Allotment.
Indebtedness	Means any obligation of the Company (whether incurred as principal, independent guarantor or as a surety) for the payment or repayment of borrowed money, whether present or future, actual or contingent.
Indian GAAP	Shall mean the generally accepted accounting principles as prescribed by the Institute of Chartered Accountants of India from time to time and consistently applied by the Company.
Interest Rate	Means 11.00% (Eleven Percent) XIRR calculated monthly and payable semi-annually, equivalent to 10.255% p.a. monthly coupon
INR	Indian Rupees
Interest Payment Date	Means the payment dates as specified in Annexure VI, unless such day is not a Business Day, in which case the payment date will be the next Business Day.
Issue	Private Placement of the Debentures.
Issue Closing Date	March 20, 2018
Issue Opening Date	March 15, 2018
Issuer/ Company	Muthoot Housing Finance Company Limited
Information Memorandum	Means this information memorandum.
Liability	Means, for any date of determination, the liabilities of the Company on such date as the same would be determined in accordance with the Indian GAAP at such date.
Loan	Means an assistance by way of a rupee loan, lent and advanced by the Company to an Obligor pursuant to a Loan Agreement and "Loans" shall mean the aggregate of all such loans lent and advanced by the Company to the Obligors.
Loan Agreement	Means an agreement entered into between the Company and an Obligor (as amended, modified and altered from time to time) setting out the terms and conditions on which the Company has agreed to lend and advance a Loan to the Obligor, and "Loan Agreements" shall mean all such agreements collectively
Majority Debenture Holders	Means such number of Debenture Holders collectively holding more than 50% (Fifty percent) of the value of the Outstanding Principal Amounts of the Debentures



Majority Resolution	Means a resolution approved by such number of Debenture Holders that represent more than 50% (Fifty percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting or if a poll is demanded, by such number of Debenture Holders that represent more than 50% (Fifty percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting in such poll.
Material Adverse Effect	Shall mean the effect or consequence of an event, circumstance, occurrence or condition which has caused, as of any date of determination, a material and adverse effect: (a) on the rights or remedies of the Debenture Trustee acting for the benefit of the Debenture Holders hereunder or under any other Transaction Document; or (b) on the ability of the Company to perform its obligations under the Transaction Documents; or (c) on the validity or enforceability of any of the Transaction Documents (including the ability of any party to enforce any of its remedies thereunder);
Maturity Date	Means the date occurring on the expiry of a period of 60 (Sixty) months from the Deemed Date of Allotment.
N.A	Not Applicable
Net Worth	has the meaning described to it in the 2013 Act
NHB	National Housing Bank established under the National Housing Bank Act 1987
NSDL	National Securities Depository Limited
Obligations	Means all present and future obligations (whether actual or contingent and whether owed jointly or severally or in any capacity whatsoever) obligations of the Company to the Debenture Holders or the Debenture Trustee under the Transaction Documents, including without limitation, all costs, charges, expenses and other monies payable by the Company in respect of the Debentures.
Obligor	Means a Person who has availed of a Loan from the Company under the terms and conditions set out in the respective Loan Agreement entered into between such Person and the Company, and who is liable to pay the amounts due to the Company, and "Obligors" shall mean all such Persons collectively.
Off Balance Sheet Portfolio	Means the outstanding principal balance of all Client Loans securitized, assigned, originated on behalf of other institutions otherwise sold off in respect of which the Company has provided credit enhancements in any form or manner whatsoever including Client Loans originated on behalf of other entities by entering into partnership agreements but not included on the Company's own book, excluding interest receivables and accrued interest.
Outstanding Principal Amount	Means, at any date, the principal amounts outstanding under the Debentures.
Outstanding Amounts	Means, at any date, the Outstanding Principal Amounts together with any accrued interest, additional interests, costs, fees, charges, and other amounts payable by the Company in respect of the Debentures.
Portfolio At Risk Over 90 Days	Shall mean, on the Issuer's entire assets under management at any point of time, as the case may be, the outstanding principal value of the relevant portfolio of the Issuer that has one or more instalments of principal, interest, overdue for 90 days or more and includes restructured loans but excludes loans that have been written off by the Company
PAR Ratio Over 90 Days	shall mean, the result obtained by dividing Portfolio at Risk Over 90 Days by Gross Loan Portfolio



Payment Default	Shall mean any event, act or condition which, with notice or lapse of time, or both, would constitute an Event of Default under Section 6.7(i).
PAN	Permanent Account Number.
Person	Shall mean any individual, partnership, joint venture, firm, corporation, association, limited liability company, trust or other enterprise or any government or political subdivision or any agency, department or instrumentality thereof.
Private Placement Offer Letter	Shall mean the offer letter prepared in compliance with Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoters	Means Muthoot Fincorp Limited, Thomas John Muthoot, Thomas George Muthoot, Thomas Muthoot.
Purpose	Has the meaning given to it in Section 5.23.
Principal Payment Dates	Means each of the Due Dates on which the Redemption Payments have to be made including the Maturity Date, unless such day is not a Business Day, in which case the payment date will be the preceding Business Day.
Quarterly Date	Means each of March 31, June 30, September 30 and December 31 and "Quarterly Dates" shall be construed accordingly.
RBI	Reserve Bank of India.
Rating Agency	CRISIL Rating, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Central Avenue, Hiranandani Business Park, Powai, Mumbai- 400076, India, Phone: +91 22 3342 3000.
Redemption Payment	Means the payment of the Outstanding Principal Amounts of the Debentures on each of the Principal Payment Dates or on any other date due to premature redemption in accordance with the Debenture Trust Deed.
Register of Beneficial Owners	Means the register of beneficial owners of the Debentures maintained in the records of the NSDL or CDSL, as the case may be.
Register of Debenture Holders	Means the register maintained by the Company in accordance with Section 88 of the Act.
Record Date	The date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 7 (Seven) Business Days prior to any Due Date.
Registrar and Transfer Agent/ R&T Agent	Registrar and Transfer Agent to the Issue, in this case being Karvy Computershare Pvt. Limited.
ROC	Registrar of Companies.
Rs. / INR	Indian National Rupee.
RTGS	Real Time Gross Settlement.
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).
Secured Obligations	Means the Obligations, and includes the making of payment of any interest, redemption of principal amounts, default interest, additional interest, liquidated damages and any other costs, charges and expenses.
Security	Means the security to be created in favour of the Debenture Trustee to secure/collateralise the Issue, details of which are provided for in the DTD and Section 5.23.
Security Cover	Has the meaning given to the term in Section 5.23.
Special Majority Debenture Holders	Means such number of Debenture Holders collectively holding more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures.
Special Resolution	Means a resolution approved by such number of Debenture Holders that represent more than 75% (seventy five percent) of the value of



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	the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting or if a poll is demanded, by such number of Debenture Holders that represent more than 75% (seventy five percent) of the value of the Outstanding Principal Amounts of the Debentures held by the Debenture Holders who are present and voting in such poll.
Subordinated Debt	Means all funds received by the Company on un-secured basis that rank lower in repayment to other debts, but is senior to equity and that may be accounted for as "Tier II Capital".
Tax	Means any present or future tax, levy, duty, charge, fees, deductions, withholdings, surcharges, cess, turnover tax, transaction tax, stamp tax or other charge of a similar nature (including any penalty or interest payable on account of any failure to pay or delay in paying the same), now or hereafter imposed by Law by any Governmental Authority and as maybe applicable in relation to the payment obligations of the Company under the Debenture Trust Deed.
Tax Deduction	means a deduction or withholding for or on account of Tax from a payment under a Transaction Document pursuant to Applicable Law.
Tier II Capital	has the meaning described to it in the NHB Directions.
Total Assets	means, for any date of determination, the total Assets of the Company on such date.
Total Liabilities	means, for any date of determination, the total Liabilities of the Company on such date.
TDS	Tax Deducted at Source.
Total Assets	Means, for any date of determination, the total Assets of the Company on such date
Terms & Conditions	Shall mean the terms and conditions pertaining to the Issue as outlined in the Transaction Documents
Transaction Documents	has the meaning described to the term in Section 6.1 below
WDM	Wholesale Debt Market.
Wilful Defaulter	Shall mean an Issuer who is categorized as a wilful defaulter by any Bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes an issuer whose director or promoter is categorized as such in accordance with Regulation 2(n) of SEBI (Issue and Listing of Debt Securities) Regulations, 2008.



SECTION 2: NOTICE TO INVESTORS AND DISCLAIMERS**2.1 ISSUER'S DISCLAIMER**

This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus and should not be construed to be a prospectus or a statement in lieu of a prospectus under the Companies Act. This Information Memorandum does not constitute and shall not be deemed to constitute an offer or invitation to subscribe to the Debentures to the public in general. The Issuer has mandated Vivriti Capital Private Limited to act as an arranger for the Debentures and to distribute this Information Memorandum to identified potential investors.

Pursuant to the provisions of Section 42 of the Companies Act 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, the copy of this Information Memorandum/ Private Placement Offer Letter shall be filed with the ROC within the stipulated timelines under the Companies Act, 2013 and NHB Directions.

This Information Memorandum has been prepared in conformity with the NHB Directions and applicable NHB Circulars governing private placements of debentures by HFC. This Information Memorandum has been prepared solely to provide general information about the Issuer to the Eligible Investors (as defined below) to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Information Memorandum does not purport to contain all the information that any Eligible Investor may require. Further, this Information Memorandum has been prepared for informational purposes relating to this transaction only and upon the express understanding that it will be used only for the purposes set forth herein. The company shall comply with applicable provisions of "Housing Finance Companies issuance of non-convertible debenture on private placement basis (NHB) Direction, 2014" issued by National Housing Bank vide notification number NHB.HFC.NCD-DIR.1/CMD/2014 dated March 19, 2014 and No. NHB(ND)/DRS/REG/MC-02/2015, dated September 09, 2015 as amended from time to time in issue of Debentured under this shelf disclosure document.

Neither this Information Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Information Memorandum should not consider such receipt as a recommendation to subscribe to any Debentures. Each Investor contemplating subscription to any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such Investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Information Memorandum (including the documents incorporated by reference herein, if any) contains all the information that is material in the context of the Issue and regulatory requirements in relation to the Issue and is accurate in all such material respects. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Information Memorandum or in any material made available by the Issuer to any potential Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer. The Issuer certifies that the disclosures made in this Information Memorandum and/or the Private Placement Offer Letter are adequate and in conformity with the Companies (Prospectus and Allotment of Securities) Rules, 2014. Further, the Issuer accepts no responsibility for statements made otherwise than in the Information Memorandum or any other material issued by or at the instance of the Issuer and anyone placing reliance on any source of information other than this Information Memorandum would be doing so at its own risk.

This Information Memorandum, the Private Placement Offer Letter and the respective contents hereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Information Memorandum and/or the Private Placement Offer Letter are intended to be used only by those Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.



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No invitation is being made to any persons other than those to whom Application Forms along with this Information Memorandum and the Private Placement Offer Letter being issued have been sent. Any application by a person to whom the Information Memorandum and/or the Private Placement Offer Letter has not been sent by the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Information Memorandum and/or the Private Placement Offer Letter shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents hereof without the consent of the Issuer. The recipient agrees to keep confidential all information provided (or made available hereafter), including, without limitation, the existence and terms of the Issue, any specific pricing information related to the Issue or the amount or terms of any fees payable to us or other parties in connection with the Issue. This Information Memorandum and/or the Private Placement Offer Letter may not be photocopied, reproduced, or distributed to others at any time without the prior written consent of the Issuer. Upon request, the recipients will promptly return all material received from the Issuer (including this Information Memorandum) without retaining any copies hereof. If any recipient of this Information Memorandum and/or the Private Placement Offer Letter decides not to participate in the Issue, that recipient must promptly return this Information Memorandum and/or the Private Placement Offer Letter and all reproductions whether in whole or in part and any other information, statement, notice, opinion, memorandum, expression or forecast made or supplied at any time in relation thereto or received in connection with the Issue to the Issuer.

The Issuer does not undertake to update the Information Memorandum and/or the Private Placement Offer Letter to reflect subsequent events after the date of Information Memorandum and/or the Private Placement Offer Letter and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Information Memorandum, and/or the Private Placement Offer Letter nor any sale of Debentures made hereafter shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Information Memorandum and/or the Private Placement Offer Letter does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Information Memorandum and/or the Private Placement Offer Letter in any jurisdiction where such action is required. Persons into whose possession this Information Memorandum comes are required to inform themselves about and to observe any such restrictions. The Information Memorandum is made available to potential investors in the Issue on the strict understanding that it is confidential.

2.2 DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to Investors as specified under the clause titled "Eligible Investors" of this Information Memorandum, who shall be/have been identified upfront by the Issuer. This Information Memorandum and/or the Private Placement Offer Letter does not constitute an offer to sell or an invitation to subscribe to Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the exclusive jurisdiction of the courts and tribunals at Mumbai, India. This Information Memorandum and/or the Private Placement Offer Letter does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

2.3 DISCLAIMER CLAUSE OF THE NATIONAL HOUSING BANK / RESERVE BANK OF INDIA

The securities have not been recommended or approved by the NHB/Reserve Bank of India nor does NHB/RBI guarantee the accuracy or adequacy of this document. The Issuer is registered with the National Housing Bank on 11 February 2011 under section 29A of the National Housing Bank Act, 1987. However, NHB/RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or of the correctness of any of the statements or representations made or opinion expressed by the Issuer and for the repayment of deposits / discharge of liabilities by the Issuer. The Debentures have not been recommended or approved by RBI nor does RBI guarantee the accuracy or adequacy of this document.



2.4 DISCLAIMER IN RESPECT OF RATING AGENCIES

Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Rating Agency has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Rating Agency does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by the Rating Agency have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

2.5 ISSUE OF DEBENTURES IN DEMATERIALISED FORM

The Debentures will be issued in dematerialised form. The Issuer has made arrangements with the Depositories for the issue of the Debentures in dematerialised form. Investors will have to hold the Debentures in dematerialised form as per the provisions of Depositories Act. The Issuer shall take necessary steps to credit the Debentures allotted to the beneficiary account maintained by the Investor with its depository participant. The Issuer will make the Allotment to Investors on the Deemed Date of Allotment after verification of the Application Form, the accompanying documents and on realisation of the application money.



SECTION 3: RISK FACTORS

The following are the risks relating to the Company, the Debentures and the market in general envisaged by the management of the Company. Potential investors should carefully consider all the risk factors in this Information Memorandum and/or the Private Placement Offer Letter for evaluating the Company and its business and the Debentures before making any investment decision relating to the Debentures. The Company believes that the factors described below represent the principal risks inherent in investing in the Debentures, but does not represent that the statements below regarding risks of holding the Debentures are exhaustive. The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another. Investors should also read the detailed information set out elsewhere in this Information Memorandum and reach their own views prior to making any investment decision.

3.1 REPAYMENT IS SUBJECT TO THE CREDIT RISK OF THE ISSUER.

Potential investors should be aware that receipt of the principal amount (i.e. the redemption amount) and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Issuer. Potential investors assume the risk that the Issuer will not be able to satisfy their obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Issuer, the payment of sums due on the Debentures may not be made or may be substantially reduced or delayed.

3.2 THE SECONDARY MARKET FOR DEBENTURES MAY BE ILLIQUID.

The Debentures may be very illiquid and no secondary market may develop in respect thereof. Even if there is a secondary market for the Debentures, it is not likely to provide significant liquidity. Potential investors may have to hold the Debentures until redemption to realize any value.

3.3 CREDIT RISK & RATING DOWNGRADE RISK

The Rating Agency has assigned the credit ratings to the Debentures. In the event of deterioration in the financial health of the Issuer, there is a possibility that the rating agency may downgrade the rating of the Debentures. In such cases, potential investors may incur losses on revaluation of their investment or make provisions towards sub-standard/ non-performing investment as per their usual norms.

3.4 CHANGES IN INTEREST RATES MAY AFFECT THE PRICE OF NCDs.

All securities where a fixed rate of interest is offered, such as this Issue, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e. when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, days to maturity and the increase or decrease in the level of prevailing interest rates. Increased rates of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the pricing of the Debentures.

3.5 TAX CONSIDERATIONS AND LEGAL CONSIDERATIONS

Special tax considerations and legal considerations may apply to certain types of investors. Potential investors are urged to consult with their own financial, legal, tax and other advisors to determine any financial, legal, tax and other implications of this investment.

3.6 ACCOUNTING CONSIDERATIONS

Special accounting considerations may apply to certain types of taxpayers. Potential investors are urged to consult with their own accounting advisors to determine implications of this investment.

3.7 MATERIAL CHANGES IN REGULATIONS TO WHICH THE ISSUER IS SUBJECT COULD IMPAIR THE ISSUER'S ABILITY TO MEET PAYMENT OR OTHER OBLIGATIONS.

The Issuer is subject generally to changes in Indian law, as well as to changes in government regulations and policies and accounting principles. Any changes in the regulatory framework could adversely affect the profitability of the Issuer or its future financial performance, by requiring a restructuring of its activities, increasing costs or otherwise.

3.8 LEGALITY OF PURCHASE

Potential investors of the Debentures will be responsible for the lawfulness of the acquisition of the Debentures, whether under the laws of the jurisdiction of its incorporation or the jurisdiction in which it operates or for compliance by that potential investor with any law, regulation or regulatory policy applicable to it.

3.9 POLITICAL AND ECONOMIC RISK IN INDIA

The Issuer operates only within India and, accordingly, all of its revenues are derived from the domestic market. As a result, it is highly dependent on prevailing economic conditions in India and its results of operations are significantly affected by factors influencing the Indian economy. An uncertain economic situation, in India and globally, could result in a further slowdown in economic growth, investment and consumption. A slowdown in the rate of growth in the Indian economy could result in lower demand for credit and other financial products and services and higher defaults. Any slowdown in the growth or negative growth of sectors where the Issuer has a relatively higher exposure could adversely impact its performance. Any such slowdown could adversely affect its business, prospects, results of operations and financial condition.

3.10 RISKS RELATED TO THE BUSINESS OF THE ISSUER

- (i) *If the Issuer is unable to control the level of non-performing loans ("NPAs") in the future, or if the Issuer's loan loss reserves are insufficient to cover future loan losses, the financial condition and results of operations may be materially and adversely affected.*

The Issuer's financial condition is directly co-related to its ability to control the level of Non-Performing Assets ("NPAs") in the future and if the Issuer's loan loss reserves are insufficient to cover the future loan losses, its financial conditions and results of operations may be materially and adversely affected.

As on December 31, 2017, the gross NPA was Rs. 31.48 crores on a gross portfolio of Rs. 694.57 crores (including managed / securitized portfolio of Rs. 0 crores).

The Issuer cannot assure that it will be able to effectively control and reduce the level of the NPAs of its Client Loans. The amount of its reported NPAs may increase in the future as a result of growth of Client Loans, and also due to factors beyond its control, such as over-extended member credit that it is unaware of. If the Issuer is unable to manage its credit ratings or adequately recover its loans, the results of its operations will be adversely affected.

The current loan loss reserves of the Issuer may not be adequate to cover an increase in the amount of NPAs or any future deterioration in the overall credit quality of Client Loans. As a result, if the quality of its total loan portfolio deteriorates the Issuer may be required to increase its loan loss reserves, which will adversely affect its financial condition and results of operations.

- (ii) *The Issuer intends to expand into new cities, with no guarantee that these operations will be successful*

The Issuer plans to expand its operations in new geographies across India. The Issuer believes that this strategy is advisable from a financial perspective and that it will provide risk diversification benefits and enable it to achieve its corporate objectives. However, if the Issuer is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

- (iii) *Changes in interest rate of the loans that the Issuer can borrow could reduce profit margins*

If the cost of the loans that the Issuer receives increases, due to either market or credit movements, the net interest margin might reduce and adversely affect the Issuer's financial condition.



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(iv) *The Issuer is exposed to certain political, regulatory and concentration of risks*

Due to the nature of its operations, the Issuer is exposed to political, regulatory and concentration risks. The Issuer believes a mitigant to this is to expand its geographical reach and may consequently expand its operations other states. If it is not effectively able to manage such operations and expansion, it may lose money invested in such expansion, which could adversely affect its business and results of operations.

(v) *Large scale attrition, especially at the senior management level, can make it difficult for the Issuer to manage its business.*

If the Issuer is not able to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain the Issuer's quality and reputation, it will be difficult for the Issuer to manage its business and growth. The Issuer depends on the services of its executive officers and key employees for its continued operations and growth. In particular the Issuer's senior management has significant experience in the microfinance, banking and financial services industries.

The loss of any of the Issuer's executive officers, key employees or senior managers could negatively affect its ability to execute its business strategy, including its ability to manage its rapid growth. The Issuer's business is also dependent on its team of personnel who directly manage its relationships with its members. The Issuer's business and profits would suffer adversely if a substantial number of such personnel left the Issuer or became ineffective in servicing its members over a period of time.

The Issuer's future success will depend in large part on its ability to identify, attract and retain highly skilled managerial and other personnel. Competition for individuals with such specialized knowledge and experience is intense in this industry, and the Issuer may be unable to attract, motivate, integrate or retain qualified personnel at levels of experience that are necessary to maintain its quality and reputation or to sustain or expand its operations. The loss of the services of such personnel or the inability to identify, attract and retain qualified personnel in the future would make it difficult for the Issuer to manage its business and growth and to meet key objectives.

(vi) *The Issuer's insurance coverage may not adequately protect it against losses. Successful claims that exceed its insurance coverage could harm the Issuer's results of operations and diminish its financial position*

The Issuer maintains insurance coverage of the type and in the amounts that it believes are commensurate with its operations and other general liability insurances. The Issuer's insurance policies, however, may not provide adequate coverage in certain circumstances and may be subject to certain deductibles, exclusions and limits on coverage.

In addition, there are various types of risks and losses for which the Issuer does not maintain insurance, such as losses due to business interruption and natural disasters, because they are either uninsurable or because insurance is not available to the Issuer on acceptable terms. A successful assertion of one or more large claims against the Issuer that exceeds its available insurance coverage or results in changes in its insurance policies, including premium increases or the imposition of a larger deductible or co-insurance requirement, could adversely affect the Issuer's business, financial condition and results of operations.

(vii) *The Issuer requires certain statutory and regulatory approvals for conducting its business and the failure to obtain or retain them in a timely manner, or at all, may adversely affect operations*

A risk may arise if various concerned authorities amend the regulatory framework, which could impact the company. The NHB requires the company to make provisions in respect of NPAs. Any changes in the regulatory framework affecting HFCs including the provisioning of the company or its future financial performance,



Information Memorandum
Date: March 15, 2018

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SECTION 4: FINANCIAL STATEMENTS

Set out in Annexure V hereto



SECTION 5: REGULATORY DISCLOSURES**5.1 Documents Submitted to the Exchanges**

The debentures will be unlisted till Maturity Date.

5.2 Documents Submitted to Debenture Trustee

The following documents have been / shall be submitted to the Debenture Trustee:

- (i) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- (ii) Copy of last 3 (Three) years audited Annual Reports;
- (iii) Latest audited / limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any.
- (iv) Certified true copies of the resolutions passed by the Company at the Annual General Meeting held on June 12, 2017 authorising the Company to borrow, upon such terms as the Board may think fit, upto an aggregate limit of INR 900,00,00,000/- (Rupees Nine Hundred Crore Only) and to create security for such borrowing up to the aforementioned limit;
- (v) Copy of the board resolution dated February 19, 2018 authorizing the Issue and list of authorized signatories of issuance of the Debentures;
- (vi) Copy of the resolution passed by the shareholders of the Company at the Executive General Meeting held on December 13, 2017, authorizing the issue/offer of non-convertible debentures by the Company;

5.3 Name and Address of Registered Office of the Issuer

Name:	Muthoot Housing Finance Company Limited ("MHFL")
Registered Office of Issuer:	Muthoot Housing Finance Company Limited TC No 14/2074- 7, Muthoot Centre, Punnen Road, Thiruvananthapuram, Kerala 695034 Telephone: 0471 3911560
Corporate Office of Issuer:	Muthoot Housing Finance Company Limited, 12A 01, 13th Floor, Parinee Crescenzo, Plot No. C-38 & C-39, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051 Telephone: 022-30941400
Compliance Officer of Issuer:	Mr. S Sumesh
CFO of Issuer:	Mr. Vikas Kumar Srivastava
Registration Number:	RoC-Ernakulam 025624
Corporate Identification Number:	U65922KL2010PLC025624
Phone No.:	022-30941400
Contact Person:	Mr. Vikas Srivastava
Email:	vikas.srivastava@muthoot.com
Website of Issuer:	www.muthoothousing.com
Auditors of the Issuer:	Haribhakti & Co. LLP, Chartered Accountants 705, Leela Business Park, Andheri Kurla Road, Andheri (E), Mumbai - 400 059



Arranger to the Issue:	Vivriti Capital Private Limited 12 th Floor, Prestige Polygon, Anna Salai, Rathna Nagar, Teynampet, Chennai, Tamil Nadu – 600035
Trustee to the Issue:	Catalyst Trusteeship Limited GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Pune – 411038
Registrar to the Issue:	Karvy Computershare Pvt. Limited, Plot No. 17-24, Vittal Rao Nagar, Madhapur, Hyderabad 500 081
Credit Rating Agency:	CRISIL Limited CRISIL House, Central Avenue, Hiranandani Business Park, Powai, Mumbai 400 076

5.4 A brief summary of business / activities of the Issuer and its line of business

(i) Overview

Muthoot Housing Finance Company Limited (MHFL) was incorporated in March 2010 and received its Certificate of Registration from National Housing Bank (NHB) on February 11, 2011. It commenced its operations in July 2011 after receiving its certificate of commencement of business on June 1, 2011. MHFL is a subsidiary of Muthoot Fincorp Limited (MFL) and is a part of the Muthoot Pappachan Group (MPG) a reputed, professionally managed business group from South India with interests in financial sector, hospitality, infrastructure development and alternative energy.

MHFL was set up with the mission to provide home finance to affordable housing customers. The typical target customer is a low income customer, primarily in the EWS and the LIG segment. MHFL started loan disbursements in September 2011. Since then the company has shown significant growth both in terms of loan portfolio and its distribution network.

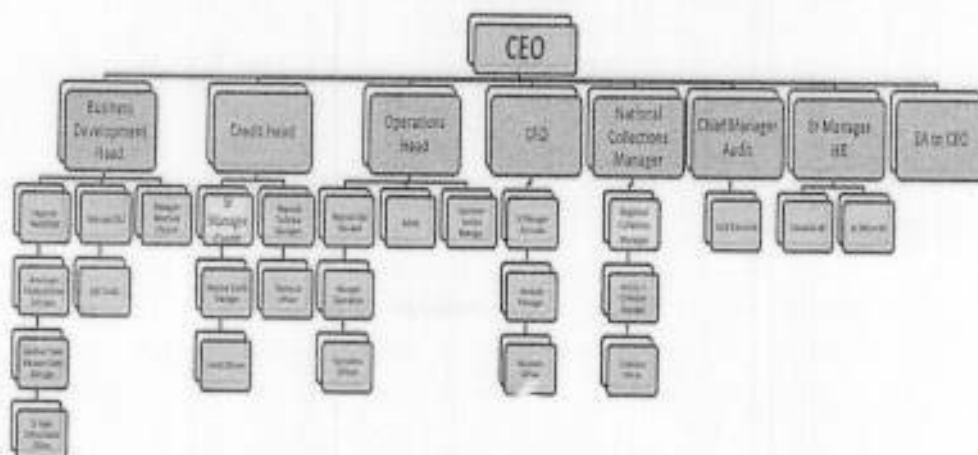
(ii) Corporate Structure

i. Current Corporate Status:

The Issuer was incorporated as a limited company in March 2010 and received its certificate of registration from National Housing Board on 11 February 2011. The Issuer is a subsidiary of Muthoot Fincorp Limited (MFL) and is a part of the Muthoot Pappachan Group (MPG) a reputed, professionally managed business group from South India with interests in financial sector, hospitality, infrastructure development and alternative energy.

The Company is into lending of long term loans for the purpose of purchase, construction, extension of houses. The company is also into lending of loan against property. Company is operating from 10 states/UT at 58 locations.





ii. Brief Profile of the Board of Directors

Board Of Directors		
Name	Designation	Experience
Mr. Thomas John Muthoot	Director	Thomas John Muthoot, a visionary rooted in the values imparted by his father Muthoot Pappachan, has effectively spearheaded the Group over the past twenty five years to become one of India's leading financial powerhouses. He also paved the way for the diversification of the Group into other major industries like power, hospitality, automotive and more. Its flagship company, Muthoot Fincorp now has a wide network of over 3800 branches pan India. He is also a member of the CII, Kerala Regional Council, Inner Circle Member of INK TALKS and a Harvard Alumni.
Mr. Thomas George Muthoot	Director	Thomas George Muthoot is the quiet strength behind the visionary growth of the Group. Thomas George Muthoot's penchant for technology and efficient administrative skills ensures the Group stays on the cutting edge of development. He holds positions as Director in the various companies of Muthoot Pappachan Group. Under his leadership the Group has made substantial efforts to strengthen and improve customer relationship and established its strong presence in retail finance through a network of 3800 plus branches across the Country and is still going strong. He continues to steer the Group in attaining the pinnacle of success. He has rich hands-on experience and exposure in all facets of non-banking financial services. His unsatiating desire to serve the masses and developing newer financial products has enabled him to pioneer the concept of Micro-finance within the Group, which will go a long way in serving the masses. He is also the Chairman, Association of Non-Banking Finance Companies Kerala, Committee member of Finance Companies Association, Chennai and Secretary, Association of Gold Loan Companies.
Mr. Thomas Muthoot	Director	Thomas Muthoot is an expert in micro credit and micro saving business with a great desire to serve the masses. He is innovative with need based financial products. His knowledge of emerging markets has been harnessed in structuring the business interests of the group.

Board Of Directors		
Name	Designation	Experience
		Thomas Muthoot is also the Vice President of Ernakulam District Cricket Association and Managing Committee member of Kerala Cancer Care Society.
Mr. Ramakrishna Pillai Kamalasanan Nair	Independent Director	Mr. Nair has more than 40 years of experience. He has been dedicated to the financial services field. He started his esteemed career as a Professor of Accountancy in Mumbai University and then moved on to serve 11 years as Group A'Officer in Govt. of India. He is a Fellow member of the Institute of Chartered Accountants of India. He is practicing as an Advocate for more than 15 years and now is an Advocate of the Hon. Supreme Court.
Mr.K.Muralidharan	Independent Director	Mr. Muralidharan has experience of more than 40 years. He has served National Housing Bank, Reserve Bank of India, Spencer & Co.Ltd., High Court of Bombay and DRT in Mumbai.

iii. Brief Profile of the Senior Management

Management Details		
Name	Designation	Experience
Mr. Pavan K Gupta	Chief Executive Officer	Pavan has over 24 years of mortgage experience in sales & distribution, credit, operations, strategy & business development and general management. He has worked with leading housing finance companies like SBI Home Finance Ltd, BHW Birla Home Finance Ltd, Home Trust Housing Finance Ltd, Deutsche Postbank Home Finance Ltd and Dewan Housing Finance Ltd(DHFL).Prior to this role, he worked at Dewan Housing Finance Ltd as Business Head for Home loans and Head for International Business. He has extensive experience of having worked in all parts of the country in his erstwhile assignments.Pavan has completed his Master's in Business Administration from Utkal University and Chartered Financial Analyst from ICFAI, Hyderabad.
Mr. S.Sumesh	Company secretary and Compliance officer	Sumesh is a post graduate in Commerce and an Associate Member of the Institute of Company Secretaries of India (ICSI) having notable expertise in the areas of Corporate Law and all other applicable laws germane to the Company. He is associated with M/s Muthoot Housing Finance Company Limited and holds the position of Company Secretary and Compliance Officer for the last 3.5 years.
Mr. Vikas Srivastava	Chief Financial Officer	Vikas is a Chartered Accountant having more than 14 years of experience in Banking and Financial Services Sector. His experience relates to the areas of Resources Management, Treasury and Finance & Accounts. He has worked with Karvy Financial Services Limited, Deutsche Postbank Home Finance Ltd/DHFL, and IndusInd Bank Limited at various roles. In MHFL, he is holding position of Chief Financial Officer.

iv. Business Segments

PRODUCT DETAILS

Product	Feature	Purpose	Eligibility
Home Loan	Loan Tenure upto 20 years Loan amount can be upto Rs. 25 Lakhs	Loans are provided for: - Purchase of property - Acquisition/ Construction/ Extension of Home	Individual
Loan against Property	Loan Tenure upto 10 years Loan amount can be upto Rs. 15 Lakhs	Loans are provided for: -Business -General Purpose	Individual

(iii) Key Operational and Financial Parameters for the last 3 audited years

(Rs. Crore)

Parameters	Audited 31-Mar-15	Audited 31-Mar-16	Audited 31-Mar-17
Networth	50.24	78.13	82.85
Total Debt			
- Non current maturities of long term Borrowings	342.84	322.21	401.95
- Current maturities of long term Borrowings	47.28	65.21	81.27
Net Fixed Assets	0.83	0.68	0.89
Non-Current Assets	379.72	434.48	558.13
Cash and Cash equivalents	52.49	14.50	6.45
Current investments	-	-	-
Current Assets	66.62	40.17	49.31
Current liabilities	50.18	68.36	115.07
Assets Under Management	381.77	443.64	575.20
Off balance sheet assets	-	-	-
Interest Income	50.48	60.68	74.93
Interest Expense	39.95	46.28	50.09
Provisioning & write Offs	1.64	3.08	2.54
PAT	-1.87	-2.11	4.73
Gross NPA (%)	2.49%	3.41%	3.35%
Net NPA (%)	2.07%	2.46%	2.41%
Tier I Capital Adequacy Ratio (%)	23.18%	36.44%	25.05%
Tier II Capital Adequacy Ratio (%)	0.71%	0.84%	0.71%

Gross Debt: Equity Ratio of the Company as of December 31, 2017:

Before the issue of debt securities	4.91
After the issue of debt securities	5.09

Calculations

As on December 31, 2017 debt-to-equity ratio is calculated as follows:-

Debt	INR 555.42 Crores
Equity	INR 113.15 Crores
Debt/Equity	4.91

Subsequent to the issue, debt-to-equity ratio shall be calculated as follows:-

Debt	INR 575.42 Crores
Equity	INR 113.15 Crores
Debt/Equity	5.09

(iv) Project cost and means of financing, in case of funding new projects: Not applicable

5.5 Brief history of Issuer since its incorporation giving details of its following activities:

(i) Details of Share Capital as on last quarter end i.e. December 31, 2017:

Share Capital	Rs.
Authorised	
7,50,00,000 Equity Shares of Rs 10 each	750,000,000
TOTAL	750,000,000
Issued, Subscribed and Fully Paid- up	
6,06,24,700 Equity Shares of Rs 10 each	60,62,47,000



Preference Shares	-
TOTAL	60,62,47,000

(ii) Changes in its capital structure as on last quarter end i.e. December 31, 2017, for the last five years:

Date of Change (AGM/EGM)	Authorised Capital in Rs.	Particulars
October 10th, 2015	750,000,000	Increase in Authorised Share Capital Rs.50 Crs to Rs.75 Crs

(iii) Equity Share Capital History of the Company as on last quarter end i.e. December 30, 2017, for the last five years:

Date of allotment	Name of Investor	No. of equity shares	Face Value (in Rs.)	Issue Price (in Rs.)	Consideration	Nature of Allotment	Cumulative Paid Up Capital		
							No of Equity Shares	Equity Share Capital (Rs in Crore)	Equity Share Premium (Rs in Crore)
26/04/2012	Thomas John Muthoot	1092240	10	10	Cash	Rights	13,35,5,000	133,550,000	Nil
	Thomas George Muthoot	1092240							
	Thomas Muthoot	1092240							
	Preethi John Muthoot	820							
	Nina George	820							
	Remmy Thomas	820							
	Janamma Thomas	820							
	Muthoot Fincorp Limited	1640000							
5/6/2012	Thomas John Muthoot	1332000							
	Thomas George Muthoot	1332000							
	Thomas Muthoot	1332000							
	Preethi John Muthoot	1000							
	Nina George	1000							
	Remmy Thomas	1000							
	Janamma Thomas	1000							
	Muthoot Fincorp Limited	2000000							

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06/07/2012	Muthoot Fincorp Limited	500000 0	10	10	Cash	preferential allotment at par	2435 5000	2435 5000 0	Nil
08/08/2012	Muthoot Fincorp Limited	200000 0	10	22	Cash	preferential allotment at premium	2635 5000	2635 5000 0	2400 0000
29/01/2013	Muthoot Fincorp Limited	545000 0	10	22	Cash	preferential allotment at premium	3180 5000	3180 5000 0	8940 0000
30/07/2013	Muthoot Fincorp Limited	685000 0	10	22	Cash	preferential allotment at premium	3865 5000	3865 5000 0	1716 0000 0
11/11/2015	Muthoot Fincorp Limited	136364 00	10	22	Cash	preferential allotment at premium	5229 1400	5229 1400 0	3352 3680 0
13/10/2017	Muthoot Fincorp Limited	833330 0	10	30	Cash	preferential allotment at premium	6062 4700	6062 4700 0	6062 4700 0

(iv) Details of any Acquisition or Amalgamation in the last 1 (one) year:
NIL

(v) Details of any Reorganization or Reconstruction in the last 1 (one) year:
NIL

5.6 Details of the shareholding of the Company as on the latest quarter end, i.e. December 31, 2017:

(i) Shareholding pattern of the Company as on last quarter end, i.e. December 31, 2017

Sr. No.	Name of the Shareholder / Particulars	Class	Total Number of equity shares	Total percentage (%) of Shareholding	Number of shares held in Demat Form
1	Thomas John Muthoot	Equity	4297885	7.09	Physical
2	Thomas George Muthoot	Equity	4297890	7.09	Physical
3	Thomas Muthoot	Equity	4297890	7.09	Physical
4	Preeti John Muthoot	Equity	3265	0.01	Physical
5	Nina George	Equity	3265	0.01	Physical
6	Remmy Thomas	Equity	3265	0.01	Physical
7	Muthoot Fincorp Limited	Equity	47721240	78.72	Physical
	Total		60624700	100.00	

Preference Shareholding Structure as on December 31, 2017 : Nil

No	Name of Share Holders	Number of Shares	Share Value	% of shareholding
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	TOTAL		

Notes: Details of shares pledged or encumbered by the promoters (if any): N.A.

- (ii) List of top 10 holders of equity shares of the Company as on the latest quarter end, i.e. December 31, 2017

SNo.	Name of the Shareholder / Particulars	Class	Total Number of equity shares	Total percentage (%) of Shareholding	Number of shares held in Demat Form
1	Thomas John Muthoot	Equity	4297885	7.09	Physical
2	Thomas George Muthoot	Equity	4297890	7.09	Physical
3	Thomas Muthoot	Equity	4297890	7.09	Physical
4	Preethi John Muthoot	Equity	3265	0.01	Physical
5	Nina George	Equity	3265	0.01	Physical
6	Remmy Thomas	Equity	3265	0.01	Physical
7	Muthoot Fincorp Limited	Equity	47721240	78.72	Physical

5.7 Following details regarding the directors of the Company:

- (i) Details of current directors of the Company:

This table sets out the details regarding the Company's Board of Directors as on date of the Information Memorandum:

Name of the Directors	Mr. Thomas John Muthoot	Mr. Thomas George Muthoot	Mr. Thomas Muthoot	Mr. Ramakrishna Pillai Kamalasanan Nair	Mr.K.Murali dharan
Designation	Director	Director	Managing Director	Independent Director	Independent Director
Date of Birth	07/06/1962	07/06/1962	15/07/1966	18/01/1939	25/05/1951
Address	Muthoot House, Tc4/100 8(1),Kavdiar, Kandiarp, Trivandrum, Kerala Pin- 695003	Muthoot Towers, College Road, P.O.M.G Road, Ernakulam - 682035, Kerala	Muthoot, 7/59A, Near Kaniyampuzha Bridge, Cherukad, Eroor Po, Ernakulam, 682306	25-167/Sivanesh, Karekadu, Suchindaram - 629704, Tamilnadu	C-20, Ground Floor, Jangpura Extension, New Delhi - 110014, Delhi, India
DIN	11618	11552	82099	631889	1365398
PAN	ABNPT4694B	ABNPT4693G	AEAPM0424L	AHKPK3362J	AAAPK0460G
Director of the company since	Incorporation 05.03.2010	Incorporation 05.03.2010	Incorporation 05.03.2010	17.09.2012	22.06.2015
Director in other company	Director • MPG Hotels And Infrastructure Ventures Private Ltd • Muthoot Risk Insurance And	Director • Muthoot Hotels Private Limited • Muthoot Capital Services Limited	Director • Muthoot Fincorp Limited • Muthoot Risk Insurance And Broking	Director • Muthoot Capital Services Ltd. • Muthoot Fincorp Ltd.	-

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<ul style="list-style-type: none"> • Broking Services Pvt Ltd • EMMEL Realtors And Developers Private Limited • L. M. Realtors Private Limited • Mariposa Agri Ventures And Hospitalities Pvt Ltd • Muthoot APT Ceramics Ltd • Muthoot Automobile Solutions Private Limited • Muthoot Automotive (India) Private Limited • Muthoot Buildtech (India) Private Limited • Muthoot Capital Services Limited • Muthoot Equities Limited • Muthoot Holdings Private Limited • Muthoot Hotels Private Limited • Muthoot Fincorp Limited • Muthoot Land And Estates Private Limited • Muthoot Motors Pvt Ltd • Muthoot Pappachan Medicare Private Limited 	<ul style="list-style-type: none"> • Buttercup Agri Projects And Hospitalities Pvt Ltd • Finance Companies' Association (India) • Fox Bush Agri Development And Hospitalities Pvt Ltd • Jungle Cat Agri Development And Hospitalities Pvt Ltd • Mandarin Agri Ventures And Hospitalities Pvt Ltd • Muthoot Properties (India) Private Limited • The Thinking Machine Media Private Limited • MPG Hotels And Infrastructure Ventures Pvt Ltd • Muthoot APT Ceramics Ltd • Muthoot Automobile Solutions Private Limited • Muthoot Automotive (India) Private Limited • Muthoot Risk Insurance And Broking Services Pvt Ltd • Muthoot Fincorp Limited • Muthoot Pappachan 	<ul style="list-style-type: none"> • Services Pvt Ltd • L. M. Realtors Private Limited • Muthoot Hotels Private Limited • MPG Hotels And Infrastructure Ventures Private Ltd • Muthoot APT Ceramics Ltd • Muthoot Automobile Solutions Private Limited • Muthoot Automotive (India) Private Limited • Muthoot Capital Services Limited • Muthoot Pappachan Technologies Limited • Flame Agri Projects And Hospitalities Pvt Ltd • Goblin Agri Projects And Hospitalities Pvt Ltd • Muthoot Agri Development And Hospitalities Pvt Ltd • Muthoot Agri Projects And Hospitalities Pvt Ltd • Muthoot Dairies and Agri Ventures Private Limited • Muthoot Infrastructure Private Limited • The Right Ambient 		
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	<ul style="list-style-type: none"> Muthoot Pappachan Technologies Limited Trivandrum Centre for Performing Arts 	<ul style="list-style-type: none"> Medicare Private Limited Muthoot Pappachan Technologies Limited 	<ul style="list-style-type: none"> Resorts Pvt Ltd Muthoot Motors Pvt Ltd 		
	<ul style="list-style-type: none"> Partner MPG Automobiles LLP Muthoot Bankers Muthoot Cine Enterprise Muthoot Estate Investments Muthoot Finance Company Muthoot Insurance Services Muthoot Motors(Cochin) 	<ul style="list-style-type: none"> Partner MPG Automobiles LLP Muthoot Bankers Muthoot Cine Enterprise Muthoot Estate Investments Muthoot Finance Company Muthoot Insurance Services Muthoot Motors(Cochin) 	<ul style="list-style-type: none"> Partner MPG Automobiles LLP Muthoot Bankers Muthoot Cine Enterprise Muthoot Estate Investments Muthoot Finance Company Muthoot Insurance Services Muthoot Motors(Cochin) 		

*Company to disclose name of the current directors who are appearing in the RBI defaulter list and/or ECGC default list, if any: Nil

Details of change in directors since last three years:

Name	Designation	DIN	Date of Appointment/Resignation	Director of the Company since (in case of resignation)	Remarks
Mr. Ramakrishna Pillai Kamalasanan Nair	Independent Director	631889	17/09/2012		Appointed as Independent Director
Mr.K.Muralidharan	Independent Director	1365398	22/06/2015		Appointed as Independent Director
Mr. Sabu Zakharias Kuncheria	Independent Director	06694766	27/03/2015	15/06/2015	Appointed as Independent Director and resigned on 15th June, 2015

5.8 Following details regarding the auditors of the Company:

(i) Details of the auditor of the Company:

Name	Address	Auditor since	Remark
Haribhakti & Co. LLP, Chartered Accountants	701, Leela Business Park, Andheri Kurla Road, Andheri (E), Mumbai -	FY 11-12	None

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(ii) Details of change in auditors since last three years: Nil

Name	Address	Date of appointment / resignation	Auditor since	Remark

5.9 Details of borrowings of the Company, as on latest quarter ended December 31, 2017:

(i) Details of Secured Loan Facilities:

Sr. No	Name of the lender/bank	Nature of Facility	Sanctioned Amount (Mn.)	Amt OS	Repayment (Months)	Book Debts
				Dec-17		
1	Andhra Bank	Term Loan	250	179.84	Repayable in 25 quarterly instalments after 9 months from the disbursement	Security by way of hypothecation on standard loan receivables
		Term Loan	500	350.00	Repayable in 36 equal quarterly instalments after 12 months from the disbursement	Security by way of hypothecation on standard loan receivables
2	AU Small Finance Bank Ltd	Cash Credit	250	210.04	Repayable on Demand	Security by way of hypothecation on standard loan receivables
3	Yes Bank	Cash Credit	50	7.84	Repayable on Demand	Security by way of hypothecation on standard loan receivables
4		Term Loan	250	226.92	Repayable in 163 monthly instalments after 6 months from the disbursement	Security by way of hypothecation on standard loan receivables
5		Term Loan	200	187.72	Repayable in 163 monthly instalments after 6 months from the disbursement	Security by way of hypothecation on standard loan receivables
7	IDBI Bank	Term Loan	150	111.21	Repayable in 78 monthly instalments after 6 months from the disbursement	Security by way of hypothecation on standard loan receivables
8		Term Loan	150	63.465	Repayable in 26 quarterly instalments after 6 months from the disbursement	Security by way of hypothecation on standard loan receivables
9		Term Loan	300	109.6	Repayable in 58 quarterly instalments after 6 months from the disbursement	Security by way of hypothecation on standard loan receivables

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10	Corporation Bank	Term Loan	200	100.04	Repayable in 84 monthly instalments after 1 month from the disbursement	Security by way of hypothecation on standard loan receivables
11	Dhanlaxmi Bank	Term Loan	200	80	Repayable in 25 quarterly instalments after 9 months from the disbursement	Security by way of hypothecation on standard loan receivables
12		Term Loan	200	88.8		Security by way of hypothecation on standard loan receivables
13	South Indian Bank	Term Loan	200	90.47	Repayable in 84 monthly instalments after 12 months from the disbursement	Security by way of hypothecation on standard loan receivables
14		Term Loan	285	143.08		Security by way of hypothecation on standard loan receivables
15		Term Loan	165	92.29		Security by way of hypothecation on standard loan receivables
16		Term Loan	400	271.40		Security by way of hypothecation on standard loan receivables
17	ICICI Bank Ltd.	Term Loan	250	178.57	Repayable in 28 quarterly instalments after 12 months from the disbursement	Security by way of hypothecation on standard loan receivables
18	Vijaya Bank	Term Loan	250	137.45	Repayable in 20 quarterly instalments after 12 months from the disbursement	Security by way of hypothecation on standard loan receivables
19		Term Loan	250	229.16	Repayable in 36 quarterly instalments after 12 months from the disbursement	Security by way of hypothecation on standard loan receivables
20		Term Loan	250	250.00	Repayable in 36 quarterly instalments after 12 months from the disbursement	Security by way of hypothecation on standard loan receivables
21	Lakshmi Vilas Bank	Term Loan	250	195.83	Repayable in 120 monthly instalments after 12 months from the disbursement	Security by way of hypothecation on standard loan receivables
22	State Bank of India	Term Loan	550	429.90	Repayable in 27 quarterly instalments after 6 months from the disbursement	Security by way of hypothecation on standard loan receivables



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23	Punjab National Bank	Term Loan	500	444.42	Repayable in 36 equal quarterly instalments after 6 months from the disbursement	Security by way of hypothecation on standard loan receivables
24	Canara Bank	Term Loan	500	500.00	Repayable in 108 monthly instalments after 13 months from the disbursement	Security by way of hypothecation on standard loan receivables
25	Union Bank of India	Term Loan	500	380.00	Repayable in equal 26 quarterly installments after 6 months from the disbursement	Security by way of hypothecation on standard loan receivables
26	Karur Vysya Bank	Term Loan	250	250.00	Repayable in 36 quarterly installments after 12 months from the disbursement	Security by way of hypothecation on standard loan receivables
27	United Bank of India	Term Loan	250	70.00	Repayable in 36 quarterly installments after 12 months from the disbursement	Security by way of hypothecation on standard loan receivables
28	National Housing Bank	Term Loan	9	8.44	Repayable on 39 quarterly installments starting with the quarter succeeding the one in which the refinance was drawn	Security by way of hypothecation on standard loan receivables
29		Term Loan	13.5	12.21		Security by way of hypothecation on standard loan receivables
30		Term Loan	77.5	65.90	Repayable in 47 quarterly installments starting with the quarter succeeding the one in which the refinance was drawn	Security by way of hypothecation on standard loan receivables
31	Hinduja Leyland Finance Limited	Term Loan	100	38.91	Repayable in 60 monthly instalments after 1 month from the disbursement	Security by way of hypothecation on standard loan receivables
32		Term Loan	100	50.62		Security by way of hypothecation on standard loan receivables
			7,850	5,554.19		

(ii) Details of Unsecured Loan Facilities:

Sr. No.	Lender's Name	Type of Facility	Amount Sanctioned	Amount Availed	Amount OS	ROI %	Repayment Schedule (Months)
			Nil				
	Total						



(iii) Details of Non-Convertible Debentures:

Debenture Series	Tenor (In Months)	Coupon (ROI)	Amount	Date of allotment	Redemption Date/ Schedule	Credit Rating	Secured/ Unsecured	Security

List of Top 10 Debenture Holders (as on December 31, 2017)

Sr. No.	Debenture Series	Amount (Rs In Crores)
	Nil	

(iv) The amount of corporate guarantee issued by the Issuer along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc) on behalf of whom it has been issued. (if any)

The Company has not issued any corporate guarantee for any third party as at December 31, 2017.

(v) Details of Commercial Paper:

The Company has not issued any Commercial Paper as at December 30, 2017

(vi) Details of rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares) as on December 31, 2017

Not Applicable

Party Name (In case of Facility/ Instrument Name)	Type of Facility/ Instrument	Amount Sanctioned/ Issued (in crores)	Principal Amount Outstanding (in crores)	Credit Rating Schedule	Secured/ Unsecured	Repayment Schedule	Security

(vii) Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the company, in the past 5 years:

NIL

(viii) Details of any outstanding borrowings taken / debt securities issued where taken / issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option:

NIL

5.10 Details of Promoters of the Company:

(i) Details of Promoter Holding in Company as on latest quarter end, i.e. December 31, 2017

Sr No	Name of the shareholders	Total No of Equity shares	No. of shares in Demat form	Total shareholding as % of total no of equity shares	No of shares Pledged	% of shares pledged with respect to shares owned

1	Muthoot Fincorp Limited	47721240	Physical	78.72	-	-
2	Thomas John Muthoot	4297885	Physical	7.09	-	-
3	Thomas George Muthoot	4297890	Physical	7.09	-	-
4	Thomas Muthoot	4297890	Physical	7.09	-	-

- 5.11** Abridged version of the Audited Consolidated and Standalone Financial Information (like Profit and Loss statement, Balance Sheet and Cash Flow statement) for at least last three years and auditor qualifications, if any.

As per Annexure - V

- 5.12** Abridged version of Latest Audited/ Limited Review Half Yearly Consolidated and Standalone Financial Information and auditors qualifications, if any.

As per Annexure - V

- 5.13** Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, tax litigations resulting in material liabilities, corporate restructuring event etc) at the time of Issue which may affect the issue or the investor's decision to invest / continue to invest in the debt securities.

Other than as disclosed in this Information Memorandum, there are no other material events or developments or changes at the time of this Issue or subsequent to the Issue which may affect the Issue or the investors' decision to invest/ continue to invest in the Issue.

- 5.14** Names of the Debentures Trustees and Consents thereof

The Debenture Trustee of the proposed Debentures is Catalyst Trusteeship Limited. Catalyst Trusteeship Limited has given its written consent for its appointment as debenture trustee to the Issue and inclusion of its name in the form and context in which it appears in this Information Memorandum, Transaction Documents and in all the subsequent periodical communications sent to the Debenture Holders. The consent letter from Debenture Trustee is provided in Annexure III of this Information Memorandum.

- 5.15** Rating and Rating Rationale

The Rating Agency has assigned ratings of "CRISIL BBB+" (Pronounced "Triple B Plus") to the Debentures. Instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.

- 5.16** If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the offer document.

N.A.

- 5.17** Names of all the recognized stock exchanges where the debt securities are proposed to be listed:

N.A, the debentures will be unlisted till Maturity Date.

- 5.18** Other details:

- (i) **Debenture Redemption Reserve Creation:**

As per the Rule 18 (7) (b) (ii) of Companies (Share Capital and Debenture) Rules 2014, Notification dated June 18, 2014, issued by Ministry of Corporate Affairs, Government of India.



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Housing Finance Companies registered with National Housing Bank under Housing Finance Companies (NHB) Directions, 2001 are not required to create Debenture Redemption Reserve (DRR) as the debentures are being issued on a private placement basis.

(ii) **Issue / instrument specific regulations:**

The Issue of Debentures shall be in conformity with the applicable provisions of the Companies Act.

(iii) **Application process:**

The application process for the Issue is as provided in Section 8 of this Information Memorandum.

5.19 A statement containing particulars of the dates of, and parties to all material contracts, agreements:

The following contracts, not being contracts entered into in the ordinary course of business carried on by the Company or entered into more than 2 (Two) years before the date of this Information Memorandum, which are or may be deemed material, have been entered into by the Company.

The contracts and documents referred to hereunder are material to the Issue, may be inspected at the Registered Office of the Company between 10.00 am to 4.00 pm on working days.

Sr. No.	Nature of Contract
1	Certified true copy of the Memorandum & Articles of Association of the Issuer
2	Board resolution dated February 19, 2018 authorizing issue of Debentures offered under terms of this Disclosure Document.
3	Shareholder Resolution dated December 13, 2017 authorizing the issue of non-convertible debentures by the Company.
3A	Shareholder resolutions dated December 13, 2017 authorizing the borrowing and creation of security by the Company
4	Copies of Annual Reports of the Company for the last three financial years
5	Credit rating letter from the Rating Agency
6	Letter from Catalyst Trusteeship Limited dated March 12, 2018 giving its consent to act as Debenture Trustee
7	Letter from the Registrar and Transfer Agent
8	Certified true copy of the certificate of incorporation of the Company
9	Certified true copy of the tripartite agreement between the Company, the Registrar and Transfer Agent and the NSDL.

5.20 Details of Debt Securities Sought to be Issued

Under the purview of the current document, the Issuer intends to raise an amount of Rs. 200,000,000 (Rupees Twenty Crores Only) by issue of Rated, Secured, Unlisted, Redeemable Non-Convertible Debentures, issued at par, on a private placement basis.

For further details of the Debentures, please refer to the terms and conditions of the debentures set out in Section 5.23 of this Information Memorandum.

5.21 Issue Size

The aggregate issue size for the Debentures is Rs. 200,000,000 (Rupees Twenty Crores Only)

5.22 Utilization of the Issue Proceeds

The proceeds shall be used for general corporate purposes and for onward lending in the course of business of the company.



5.23 Issue Details

Security Name	10.255% Muthoot Housing Finance Company Limited
Issuer	Muthoot Housing Finance Company Limited
Type of Instrument	Non-Convertible Debentures
Nature of Instrument	Rated, Secured, Unlisted, Redeemable, Non-Convertible Debentures
Seniority	Senior
Mode of Issue	Private placement
Eligible/Identified Investors	As provided in Section 8.15 below
Rating of Instrument	CRISIL BBB+ / (Stable)
Issue Size	Issue of 200 (Two Hundred) Rated, Secured, Unlisted, Redeemable, Non-Convertible Debentures of face value of Rs. 10,00,000/- (Rupees Ten Lakhs only) each, aggregating up to Rs. 20,00,00,000/- (Rupees Twenty Crores only) on a private placement basis
Option to retain oversubscription	N.A.
Objects of the Issue	To raise senior debt to the extent upto Rs. 20,00,00,000/- (Rupees Twenty Crores only) for general corporate purposes of the Company including repayments and/or refinancing of existing debt ("Purpose").
Details of the utilization of the Proceeds	The issue proceeds will be utilized general corporate purposes of the Issuer including repayments and/or refinancing of existing debt.
Coupon Rate	11.00% (Eleven Percent) XIRR calculated monthly and payable semi-annually, equivalent to 10.255% p.a. monthly coupon
Step Up/ Step Down Coupon Rate	N.A.
Coupon Payment Frequency	Semi Annual
Coupon Payment Date	As set out in Annexure VI
Coupon Type	Fixed
Coupon Reset Date	N.A.
Day Count Basis	Actual/365
Interest on Application Money	Interest at the Interest Rate will be paid on Application Money to the Applicants from the date of receipt of such Application Money up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (Five) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount. Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like Cheque/RTGS/Electronic Mode. Details of allotment will be sent to every successful Applicant. In all cases, the interest instruments will be sent, at the sole risk of the Applicant / first Applicant.
Default Interest Rate	<p>(a) The Company shall pay a default interest rate of 2% (Two per cent) per annum above the applicable Interest Rate on the Outstanding Principal Amounts from the date of the occurrence of a Payment Default or any other Event of Default until such Payment Default or Event of Default is cured.</p> <p>(b) The Company shall pay an additional interest rate of 2% (Two per cent) per annum above the applicable Interest Rate on the</p>

	<p>Outstanding Principal Amounts from the date of the occurrence of any breach of its obligations set out under the Transaction Documents until such breach is cured.</p> <p>(c) If the Company fails to create and perfect security on the Charged Receivables by way of the Deed of Hypothecation within 30 (Thirty) calendar days from the Deemed Date of Allotment, the Company will either refund the subscription amounts with interest at the Interest Rate, or the Company will pay default interest at the rate of 2% (Two Percent) per annum above the Interest Rate on the Outstanding Principal Amounts until the security is created in accordance with the DTD and the security is perfected in accordance with Applicable Law.</p>
Coupon Reset Process	N.A.
Delay Penalty	If the Company fails to create and perfect security on the Charged Receivables within 30 (Thirty) days from the Deemed Date of Allotment, the Company will either refund the subscription amounts with interest at the Interest Rate, or the Company will pay default interest at the rate of 2% (Two Percent) per annum above the Interest Rate on the Outstanding Principal Amounts until the security is created in accordance with the DTD and the security is perfected in accordance with Applicable Law.
Tenor	60 (Sixty) months from the Deemed Date of Allotment
Redemption Date	Quarterly Redemption Payments from 12 months from the date of disbursement on the Principal Payment Dates in accordance Annexure VI. The Debentures shall be fully redeemed on the Maturity Date, as set out in Annexure VI
Redemption Amount	Rs. 10,00,000/- (Rs. Ten Lakhs Only) per Debenture on the Maturity Date plus accrued Coupon if any.
Redemption Premium/ Discount	N.A.
Issue Price	Rs. 10,00,000/- (Rupees Ten Lakhs Only) per Debenture
Discount at which security is issued and the effective yield as a result of such discount	N.A.
Put Date	N.A.
Put Price	N.A.
Call Date	N.A.
Call Price	N.A.
Put Notification Time	N.A.
Call Notification Time	N.A.
Face Value	Rs. 10,00,000/- (Rupees Ten Lakhs Only) per Debenture
Minimum Application size and in multiples of 1 thereafter	The minimum application size for the Issue shall be 10 Debentures and in multiples of 1 thereafter
Issue Timing	<p>Issue Opening Date: March 15, 2018</p> <p>Issue Closing Date: March 20, 2018</p> <p>Pay-in Dates: March 20, 2018</p> <p>Deemed Date of Allotment: March 20, 2018</p>
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only



Settlement mode of the Instrument	Cheque/RTGS/Electronic Mode
Depositories	NSDL
Business Day Convention	<p>Business day shall be a day on which commercial banks are open for business in the city of Mumbai excluding Sunday or public holiday.</p> <p>If any Due Date falls on a day which is not a Business Day, the payment to be made on such Due Date shall be made on the immediately succeeding Business Day, except where such Due Date is for the payment of the Redemption Amount, in which case such payment shall be made on the immediately preceding Business Day.</p>
Record Date	The date which will be used for determining the Debenture Holders who shall be entitled to receive the amounts due on any Due Date, which shall be the date falling 7 (Seven) Business days prior to any Due Date.
Security (Including description, type of security, type of charge, likely date of creation of security, minimum security cover, revaluation, replacement of security)	<p>(a) The Debentures shall be secured (hereinafter referred to as the "Security") by no later than 30 (Thirty) calendar days from the Deemed Date of Allotment by way of exclusive charge to be created pursuant to the deed of hypothecation to be executed between the Company and the Debenture Trustee ("Deed of Hypothecation") over the book debts / loan receivables of the Company as described therein (the "Charged Receivables").</p> <p>(b) Commencing from the Initial Security Creation Date until the Final Settlement Date, the value of the Charged Receivables shall at all times be maintained at (i) at least 1.1 (One Decimal One) time the value of the Outstanding Amounts; and (ii) the principal receivables of the Client Loans comprising the Charged Receivables shall be at least 1.1 (One Decimal One) times the value of the Outstanding Principal Amounts (collectively, the "Security Cover") and shall be maintained at all times until all the Secured Obligations are satisfied by the Company. The value of the Charged Receivables for this purpose (for both initial and subsequent valuations) shall be the amount reflected as the value thereof in the books of accounts of the Company.</p> <p>(c) The Company shall create the charge by way of hypothecation over the Charged Receivables that in aggregate are no less than the Security Cover (in accordance with the Deed of Hypothecation) on the Initial Security Creation Date and shall charge by way of hypothecation additional receivables (if so required) on each Top-up Date and Replacement Date to maintain the Security Cover. Top-up Dates and Replacement Dates will be defined in the Deed of Hypothecation for topping up of Charged Receivables to ensure Security Cover and replacement of assets as and when requested by the Company and approved by the Debenture Trustee.</p> <p>(d) The Company shall register and perfect such security by no later than the Initial Security Creation Date and by no later than 30 (thirty) calendar days from the Top-up Date or Replacement Date (as the case may be) by filing Form CHG-9 with the ROC</p> <p>(e) On the Initial Security Creation Date, the Company will intimate the Debenture Trustee with a letter from its authorised officer confirming the creation of charge up to the Security Cover. The Debenture Trustee will on the same day provide a copy of the notice of intimation to the Debenture Holders.</p>

		<p>(f) The Company shall provide details of the Charged Receivables to the Debenture Trustee on the Initial Security Creation Date, each Top-up Date and each Replacement Date in such form as may be prescribed by the Debenture Trustee (acting on the instructions of the Debenture Holders). The Debenture Trustee will immediately provide a copy of the details of Charged Receivables to the Debenture Holders.</p> <p>The Charged Receivables shall satisfy the eligibility criteria set out in the Deed of Hypothecation.</p>
Transaction Documents		Shall be as set out in Section 6.1 below
Conditions Precedent to Disbursement		As customary for transaction of a similar nature and size and as per regulatory requirements.
Conditions Subsequent to Disbursement		<p>The Company shall fulfil the following conditions precedent, to the satisfaction of the Debenture Trustee, pursuant to the Deemed Date of Allotment:</p> <ul style="list-style-type: none"> (a) the Company shall create security over the Charged Receivables as contemplated in the Transaction Documents on the Initial Security Creation Date and in any event create, register and perfect the security (including filing of Form CHG 9 with the ROC over the Charged Receivables no later than 30 (Thirty) days of the Deemed Date of Allotment; (b) on the Initial Security Creation Date, the Company will intimate the Debenture Trustee with a letter from its authorised officer confirming the creation of charge up to the Security Cover as stipulated in the Transaction Documents. The Debenture Trustee will on the same day provide a copy of the notice of intimation to the Debenture Holders; (c) the Company shall ensure that the Debentures are credited into the demat accounts of the respective Debenture Holders within 10 (Ten) Business Days from the Deemed Date of Allotment; (d) the Company shall, inter alia, file a copy of Form PAS-4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in respect of the issue of the Debentures with the ROC with the prescribed fee within 30 (thirty) days from the date of the Private Placement Offer Letter and file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 30 (thirty) days of the allotment of Debentures along with a list of the Debenture Holders and with the prescribed fee; and (e) the Company shall file a copy of Form PAS-5 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in respect of the issue of the Debentures along with a copy of the Private Placement Offer Letter with ROC within 30 (thirty) days from the date of the Private

	Placement Offer Letter.
Event of Default	As set out in Section 6.7
Provisions related to the Cross Default Clause	The Company (A) defaults in any payment of any Indebtedness beyond the period of grace (not to exceed 30 (Thirty) days), if any, provided in the instrument or agreement under which such Indebtedness was created; or (B) defaults in the observance or performance of any agreement or condition relating to any Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Indebtedness to cause (determined without regard to whether any notice is required) any such Indebtedness to become due prior to its stated maturity; or (C) any Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof
Role and Responsibilities of Debenture Trustee	To oversee and monitor the overall transaction for and on behalf of the Debenture Holders, and as more particularly set out in the DTD.
Representation and warranties and Covenants	As set out in Section 6.2
Illustration of Bond Cash flows	Kindly refer to Annexure VI of this Information Memorandum
Governing Law	The Debentures and documentation will be governed by and construed in accordance with the laws of India and the parties submit to the non-exclusive jurisdiction of the courts in Mumbai, India.



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SECTION 6: TRANSACTION DOCUMENTS AND KEY TERMS

6.1 Transaction Documents

The following documents shall be executed in relation to the Issue ("Transaction Documents"):

- (i) Debenture Trust Agreement, which will confirm the appointment of Catalyst Trusteeship Limited as the Debenture Trustee ("Debenture Trust Agreement");
- (ii) Debenture Trust Deed, which (i) sets out the terms upon which the Debentures are being issued and (ii) shall include the representations and warranties and the covenants to be provided by the Issuer ("Debenture Trust Deed"); and
- (iii) Deed of Hypothecation which shall create security over certain identified receivables to secure the Debentures ("Deed of Hypothecation"); and
- (iv) Such other documents as agreed between the Issuer and the Debenture Trustee.

The Transaction Documents shall be executed on or prior to the Issue Closing Date.

6.2 Representations and Warranties of the Issuer

The Issuer hereby makes the following representations and warranties and the same shall also be set out in the Transaction Documents which representations shall be true and valid until the Final Settlement Date.

(i) STATUS:

- a. It is a company, duly incorporated, registered and validly existing under Applicable Law.
- b. It is a non-deposit accepting or holding Housing Finance Company registered with the National Housing Bank.
- c. It has the power to own its Assets and carry on its business as it is being conducted.

(ii) BINDING OBLIGATIONS:

The obligations expressed to be assumed by it under the Transaction Documents are legal, valid, binding and enforceable obligations.

(iii) NON-CONFLICT WITH OTHER OBLIGATIONS:

The entry into and performance by it of, and the transactions contemplated by, the Transaction Documents do not and will not conflict with:

- a. any Applicable Law or regulation applicable to it;
- b. its Constitutional Documents; or
- c. any agreement or instrument binding upon it or any of its Assets.

(iv) POWER AND AUTHORITY:

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Transaction Documents to which it is a party and the transactions contemplated by those Transaction Documents.

(v) CONDITIONS PRECEDENT:

- a. The Company will provide the Applicants with the certified copies of the required Condition Precedent documents at least 7 (seven) days before the Commencement Date.
- b. The Company understands and accepts that the Applicant's intention to subscribe to the Issue is subject to the absence of material adverse changes in the availability of currency hedging accessible to it between the Effective Date and the Commencement Date.



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(vi) VALIDITY AND ADMISSIBILITY IN EVIDENCE:

All approvals, authorizations, consents, permits (third party, statutory or otherwise) required or desirable:

- a. to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Transaction Documents to which it is a party;
- b. to make the Transaction Documents to which it is a party admissible in evidence in its jurisdiction of incorporation; and
- c. for it to carry on its business, and which are material,

have been obtained or effected and are in full force and effect.

(vii) NO DEFAULT:

No Event of Default has currently occurred and is continuing as on the date hereof or would reasonably be expected to result from the execution or performance of any Transaction Documents or the issuance of the Debentures. No other event or circumstance is outstanding which constitutes (or which would, with the lapse of time, the giving of notice, the making of any determination under the relevant document or any combination of the foregoing, constitute) a default or termination event (however described) under any other agreement or instrument which is binding on the Company or any of its Assets or which might have a Material Adverse Effect.

(viii) PARI PASSU RANKING:

Its payment obligations under the Transaction Documents rank at least *pari passu* with the claims of all of its other creditors, except for obligations mandatorily preferred by law applying to companies generally.

(ix) NO PROCEEDINGS PENDING:

Except as disclosed by the Company in its Information Memorandum, annual reports and financial statements, no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which have been started against the Company, which if adversely determined, may have a Material Adverse Effect.

(x) NO MISLEADING INFORMATION:

All information provided by the Issuer to the Debenture Holders for the purposes of this Issue is true and accurate in all material respects as at the date it was provided or as at the date (if any) at which it is stated and is not misleading due to omission of material fact or otherwise.

(xi) COMPLIANCE:

- (i) The Company has complied with the Applicable Law. There has not been and there is no investigation or enquiry by, or order, decree, decision or judgment of any Governmental Authority been issued or outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated against the Company which would have a Material Adverse Effect, nor has any notice or other communication (official or otherwise) from any Governmental Authority been issued or is outstanding or to the best of the Company's knowledge (after making due and careful enquiry), anticipated with respect to an alleged, actual or potential violation and/or failure to comply with any such Applicable Law or requiring them to take or omit any action.
- (ii) The Company shall complete all necessary formalities including all filings with the relevant regulatory authorities and obtain all consents and approvals required for the completion of the Issue.



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(xii) ASSETS:

Except for the security interests and encumbrances created and recorded with the Ministry of Corporate Affairs (available using CIN/FCRN/LLPIN/FLPIN: U65922KL2010PLC025624 on the website <http://www.mca.gov.in/MCA21/index.html> under the heading Index of Charges) updated from time to time, the Issuer has, free from any security interest or encumbrance, the absolute legal and beneficial title to, or valid leases or licenses of, or is otherwise entitled to use (in each case, where relevant, on arm's length terms), all material Assets necessary for the conduct of its business as it is being, and is proposed to be, conducted.

(xiii) FINANCIAL STATEMENTS:

- a. The Issuer's financial statements most recently supplied to the Debenture Trustee as of March 31, 2017 were prepared in accordance with Indian GAAP consistently applied save to the extent expressly disclosed in such financial statements.
- b. The financial statements most recently supplied to the Debenture Trustee as of March 31, 2017 give a true and fair view and represent its financial condition and operations during the relevant financial year save to the extent expressly disclosed in such financial statements.

(xiv) SOLVENCY:

- a. The Issuer is able to, and has not admitted its inability to, pay its debts as they mature and has not suspended making payment on any of its debts and it has not been deemed by a court to be unable to pay its debts for the purposes of the Applicable Law, nor, will it become unable to pay its debts for the purposes of Applicable Law in consequence of this Issue and entering into the Transaction Documents.
- b. The Issuer, by reason of actual or anticipated financial difficulties, has not commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling its indebtedness.
- c. The value of the assets of the Issuer is more than its liabilities (taking into account contingent and prospective liabilities) and it has sufficient capital to carry on its business.
- d. As on the date hereof, the Issuer has not taken any corporate action nor has taken any legal proceedings or other procedure or steps in relation to any bankruptcy proceedings.

(xv) SECURITY:

- a) The Hypothecated Assets are the sole and absolute property of the Company and are free from any other charge or encumbrance and are not subject to any lis pendens, attachment, or other order or process issued by any Governmental Authority.
- b) The Transaction Documents executed or to be executed constitute legal, valid and enforceable security interest in favour of the Debenture Trustee and for the benefit of the Debenture Holders on all the assets thereby secured and all necessary and appropriate consents for the creation, effectiveness, priority and enforcement of such security have been obtained.

6.3 AFFIRMATIVE COVENANTS:-

(i) UTILISATION

The Company shall utilise the moneys received towards subscription of the Debentures as per the Purpose and object of the Issue.

(ii) COVENANT TO PAY; COSTS

The Company covenants with the Debenture Trustee that it shall pay to the Debenture Holders the applicable interest at the Interest Rate in respect of the Debentures on each Interest Payment Date, or earlier in case of any default, and shall also pay all other amounts due in respect of the Debentures as stipulated and in accordance with the



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Transaction Documents. The Company shall make / release all payments due by the Company in terms of the Transaction Documents to the respective Debenture Holders in proportion to their dues. The Company shall bear the costs and expenses incurred in connection with the transactions contemplated hereby including stamp duty on the Transaction Documents, all wire fees and applicable charges, and the legal advisors' fees and expenses incurred in the preparation of the Transaction Documents.

(iii) **APPLICATION MONEY**

The Application Money received by the Company shall be kept in a separate bank account maintained by the Company with a scheduled bank and shall not be utilised for any purpose other than for:

- (a) adjustment against allotment of Debentures; or
- (b) repayment of Application Money in case the Company is unable to allot the Debentures.

(iv) **NOTICE OF WINDING UP OR OTHER LEGAL PROCESS**

Promptly inform the Debenture Trustee if it has notice of any application for winding up having been made or any statutory notice of winding up under the provisions of the Companies Act, or any other notice under any other act relating to winding up or otherwise of any suit or other legal process intended to be filed or initiated against the Issuer.

(v) **LOSS OR DAMAGE BY UNCOVERED RISKS**

Promptly inform the Debenture Trustee of any material loss or significant damage which the Issuer may suffer due to any force majeure circumstances such as earthquake, flood, tempest or typhoon, etc. or act of God against which the Company may not have insured its properties.

(vi) **COSTS AND EXPENSES**

Pay all costs, charges and expenses in any way incurred by the Debenture Trustee towards protection of Debenture Holders' interests, including traveling and other allowances and such taxes, duties, costs, charges and expenses in connection with or relating to the Debentures subject to such expenses, costs or charges being approved in writing by the Issuer before they are incurred and shall not include any foreign travel costs.

(vii) **PAYMENT OF RENTS, ETC.**

punctually pay all rents, royalties, Taxes, rates, levies, cesses, assessments, impositions and outgoings, governmental, municipal or otherwise imposed upon or payable by the Company as and when the same shall become payable and when required by the Debenture Trustee produce the receipts of such payment and also punctually pay and discharge all debts and obligations and liabilities which may have priority over the Debentures and observe, perform and comply with all covenants and obligations which ought to be observed and performed by the Company under the Transaction Documents.

(viii) **PRESERVE CORPORATE STATUS**

Diligently preserve and maintain its corporate existence and status and all rights, contracts privileges, franchises and concessions now held or hereafter acquired by it in the conduct of its business and comply with each and every term of the said franchises and concessions and all acts, authorizations, consents, permissions, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its Assets or any part thereof. Provided that the Company may contest in good faith the validity of any such acts, rules, regulations, orders and directions and pending the determination of such contest may postpone compliance thereof if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its business might or could be



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terminated or whereby payment of the principal of or interest on the Debentures might or would be hindered or delayed.

(ix) PAY STAMP DUTY

Pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay according to the laws for the time being in force in the state where the Transaction Documents are executed, and in the event of the Issuer failing to pay such stamp duty, other duties, taxes and penalties as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Issuer shall reimburse the same to the Debenture Trustee on demand;

(x) FURNISH INFORMATION TO DEBENTURE TRUSTEE

- (a) provide to the Debenture Trustee or its nominee(s)/ agent(s) such information/copies of relevant extracts as they require on any matters relating to the business of the Company to investigate the affairs of the Company. The Company shall allow the Debenture Trustee to make such examination and investigation as and when deemed necessary and shall furnish the Debenture Trustee with all such information as they may require and shall pay all reasonable costs, charges and expenses incidental to such examination and investigation. Without prejudice to the foregoing, the Company undertakes that it will permit the Debenture Trustee to examine the books and records of the Company and to discuss the affairs, finances and accounts of the Company with, and be advised as to the same by, officers and independent accountants of the Company, all upon reasonable prior notice and at such reasonable times and intervals as the Debenture Trustee may reasonably request;
- (b) The Issuer shall furnish quarterly report to the Debenture Trustee (as may be required in accordance with SEBI guidelines) containing the following particulars –
- Updated list of the names and addresses of the Debenture Holders.
 - Details of the interest due, but unpaid and reasons thereof.
 - The number and nature of grievances received from the Debenture Holders and resolved by the Company.
 - a statement that the Hypothecated Assets is sufficient to discharge the claims of the Debenture Holders as and when they become due; and
 - notice of any Event of Default or potential Event of Default;
- (c) Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holders. The Issuer further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance.
- (d) Inform and provide the Debenture Trustee with applicable documents in respect of the following:
- notice of any event of default specifying the nature of such event and any steps the Company is taking and proposes to take to remedy the same.

(xi) TRANSFER OF UNCLAIMED REDEMPTION AMOUNTS

The Issuer shall comply with the applicable provisions of the Act, relating to transfer of unclaimed / unpaid amounts of interest on Debentures and redemption of Debentures to Investor Education and Protection Fund (IEPF), if applicable to it.

The Issuer hereby further agrees and undertakes that during the currency of the Issue it shall abide by the guidelines requirement if any, issued from time to time by the SEBI/RBI/NHB.

(xii) FURTHER ASSURANCES
until the Final Settlement Date:



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- (i) observe Applicable Law relating to a minimum age for employment of children, acceptable conditions of work with respect to minimum wages, hours of work, and occupational health and safety;
- (ii) not use forced or compulsory labor, including, but not limited to any form of slavery, debt bondage or serfdom;
- (iii) not employ persons, formally or informally, under the age of fifteen (15) for general work and eighteen (18) for work involving hazardous activity, which is work that, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety, or morals of those persons;
- (iv) require any project contractor, with respect to itself and any of its project subcontractors, to comply with the foregoing requirements;
- (v) comply with, and cause its project contractor(s) and project subcontractor(s) to comply with, any Applicable Law or collective bargaining agreement that imposes a requirement that is more protective of child labor rights than any of the foregoing requirements;
- (vi) not finance any activity involving production or activities involving forced labor or child labor. Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions. Employees may only be hired if they are at least 14 years old, as defined in the ILO Fundamental Human Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working. In such cases the higher age shall apply; the requirements set forth above, (collectively, the "Child Labor Requirements");
- (vii) in the event that information concerning non-compliance or potential material non-compliance with the Child Labor Requirements comes to the attention of a responsible officer of the Company, the Company shall give prompt notice thereof to Lender. The Company shall use all reasonable efforts, including remediation, to cure or prevent the recurrence of any non-compliance of the Child Labor Requirements; and
- (viii) notwithstanding the foregoing sub-Clauses (i) through (vii), the Company shall not be responsible for any non-compliance of the Child Labor Requirements resulting from the actions of a Governmental Authority.

The Company also shall:

- a) execute and/or do, at their own expense, all such deeds, assurances, documents, instruments, acts, matters and things, in such form and otherwise as the Debenture Trustee may reasonably or by Applicable Law require or consider necessary in relation to enforcing or exercising any of the rights and authorities of the Debenture Trustee;
- b) furnish to the Debenture Trustee details of all grievances received from the Debenture Holders and the steps taken by the Company to redress the same. At the request of any Debenture Holder, the Debenture Trustee shall, by notice to the Company call upon the Company to take appropriate steps to redress such grievance and the Company shall comply with the instructions of the Debenture Trustee issued in this regard;
- c) obtain, comply with the terms of and do all that is necessary to maintain in full force and effect all authorisations necessary to enable it to lawfully enter into and



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perform its obligations under the Transaction Documents or to ensure the legality, validity, enforceability or admissibility in evidence in India of the Transaction Documents;

- d) comply with the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993 as in force from time to time, in so far as they are applicable to the Debentures and furnish to the Debenture Trustee such data, information, statements and reports as may be deemed necessary by the Debenture Trustee in order to enable them to comply with the provisions of Regulation 15 thereof in performance of their duties in accordance therewith to the extent applicable to the Debentures; and comply with the provisions of the Act in relation to the issue of the Debentures;
- e) procure that the Debentures are rated and continued to be rated until the redemption of the Debentures; and
- f) ensure that, at time of making any payment of interest or repayment of the principal amount of the Debentures in full or in part, the Company shall do so in the manner that is most tax efficient for the Debenture Holders (including withholding tax benefit) but without, in any way, except as provided in the Transaction Documents, requiring the Company to incur any additional costs, expenses or Taxes and the Company shall avail of all the benefits available under any treaty applicable to the Company and/or the Debenture Holders.

(xiii) SECURITY

The Company hereby further agrees, declares and covenants with the Debenture Trustee as follows:

- (i) the Debentures shall be secured by an exclusive charge on the Hypothecated Assets in favour of the Debenture Trustee for the benefit of the Debenture Holders;
- (ii) that all the Hypothecated Assets that will be charged to the Debenture Trustee under the Deed of Hypothecation shall always be kept distinguishable and held as the exclusive property of the Company specifically appropriated to this Security and be dealt with only under the directions of the Debenture Trustee. The Company shall not create any charge, lien or other encumbrance upon or over the Hypothecated Assets or any part thereof except in favour of the Debenture Trustee nor will it do or allow anything that may prejudice this Security. The Debenture Trustee shall be at liberty to incur all costs and expenses as may be necessary to preserve this Security and to maintain the same undiminished and claim reimbursement thereof;
- (iii) to create the security over the Hypothecated Assets as contemplated in the Transaction Documents on or before the Deemed Date of Allotment by executing a duly stamped Deed of Hypothecation and to register and perfect the security interest created under the Deed of Hypothecation by filing Form CHG-9 with the concerned ROC in relation thereto as soon as practicable and no later than 30 (Thirty) calendar days after the date of execution of the Deed of Hypothecation;
- (iv) to keep the Application Money in a separate bank account in the event the Debenture Trust Deed and the Deed of Hypothecation is not executed on or before the Deemed Date of Allotment or in the event the value of the Hypothecated Assets, at the time of execution of the Deed of Hypothecation, is less than 1.1 (One Decimal One) times the Outstanding Amounts;



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- (v) to provide a list of specific loan receivables/identified book debts to the Debenture Trustee over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the security cover on a half yearly basis on or prior to the end of next month succeeding the half year;
 - (vi) the Company shall, on each Top-Up Date (as defined in the Deed of Hypothecation), add fresh loan Assets to the Hypothecated Assets (under the Deed of Hypothecation) so as to ensure that the value of the Hypothecated Assets is at all times equal to 1.1 (One Decimal One) times the Outstanding Amounts;
 - (vii) the Company shall, on a half yearly basis, as also whenever required by the Debenture Trustee, give full particulars to the Debenture Trustee of all the Hypothecated Assets from time to time and shall furnish and verify all statements, reports, returns, certificates and information from time to time and as required by the Debenture Trustee and furnish and execute all necessary documents to give effect to the Hypothecated Assets;
 - (viii) the security interest created on the Hypothecated Assets shall be a continuing security as described in the Deed of Hypothecation;
 - (ix) the Hypothecated Assets shall satisfy the eligibility criteria set out in the Deed of Hypothecation;
 - (x) nothing contained herein shall prejudice the rights or remedies of the Debenture Trustee and/ or the Debenture Holders in respect of any present or future security, guarantee obligation or decree for any indebtedness or liability of the Company to the Debenture Trustee and/ or the Debenture Holders;
 - (xi) the Debenture Holders shall have a beneficial interest in the moveable Assets of the Company which have been charged to the Debenture Trustee to the extent of the Outstanding Amounts of the Debentures under the Transaction Documents; and
 - (xii) forthwith upon demand by the Debenture Trustee, reimburse to the Debenture Trustee all amounts paid by the Debenture Trustee to reasonably protect the Hypothecated Assets and such amounts shall be deemed to be secured by the Hypothecated Assets;
- (xiv) **COMPLIANCE WITH THE REQUIREMENTS OF THE STOCK EXCHANGES**
N.A.
- (xv) **EXECUTION OF SECURITY DOCUMENTS**
In the event of any delay in the execution of the Deed of Hypothecation, the Company will, at the option of the Debenture Holders, either:
- (i) refund the Application Money, to the Debenture Holders; or
 - (ii) pay to the Debenture Holders penal interest at the rate of 2% p.a. (two percent) in addition to the Interest Rate till the Deed of Hypothecation is duly executed.
- (xvi) **TAX DEDUCTION**

The interest proceeds are subject to deduction of tax as per applicable laws and the interest payment will be made net of such deduction, as applicable.



6.4 NEGATIVE COVENANTS:-

The Company shall not take any action in relation to the items set out in this Section 6.4 without the prior written permission of the Debenture Trustee. The Debenture Trustee shall give its prior written approval/dissent within 15 (fifteen) Business Days after receiving a request to provide its approval PROVIDED such request is accompanied by the relevant information substantiating the request for the Debenture Holders to make a conscious discussion. The Debenture Trustee reserves the right to take the consent of the Majority Debenture Holders prior to any such approval/dissent, if it deems necessary.

(i) CHANGE OF BUSINESS

- (i) Change the general nature of its business from that which is permitted under the National Housing Bank regulatory framework applicable
- (ii) Any material changes to its Constitutional Documents (including a reduction of its authorized capital).

(ii) DIVIDEND

Declare or pay any dividend to its shareholders during any Financial Year unless it has paid or made arrangements to pay (to the satisfaction of the Debenture Trustee) all the dues to the Debenture Holders/ Debenture Trustee upto the date on which the dividend is proposed to be declared or paid or has made satisfactory provisions thereof.

(iii) MERGER, CONSOLIDATION, ETC.

Undertake or permit any merger, consolidation, re-organisation, scheme of arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction.

(iv) CHANGE OF CONTROL

- (A) Issue any additional shares or equity interests, where the shareholding of the existing promoters gets diluted below 51% of the controlling stake.;
- (B) Have its existing shares or equity interests transferred, sold, pledged or otherwise encumbered, if such action results in the owners or holders of such existing shares and equity interests (on the Deemed Date of Allotment) having less than 51% (Fifty One percent) of the total voting power and economic interests in the Company.

(v) DISPOSAL OF ASSETS

Sell, transfer, or otherwise dispose in any manner whatsoever any material Assets of the Company (whether in a single transaction or in a series of transactions (whether related or not) or any other transactions which cumulatively have the same effect) other than, except any securitization/portfolio sale of Assets undertaken by the Company in its ordinary course of business.

(vi) ANTI-MONEY LAUNDERING AND EXCLUSION LIST

- (i) permit any of the Debenture proceeds to be used to fund any form of violent political activity, terrorists or terrorist organizations, nor any money laundering process or scheme to disguise illegally obtained funds, nor any other criminal activity including arms sales, drug trafficking, robbery, fraud or racketeering.
- (ii) permit any of the Debenture proceeds to be used to fund any activity on the Exclusion List.



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6.5 FINANCIAL COVENANTS AND ADDITIONAL COVENANTS:

The Issuer shall at all times until the redemption of all outstanding Debentures, ensure that

- (a) The Company shall maintain until the Final Settlement Date, the PAR Ratio over 90 days is less than 5% (Five Percent).
- (b) Until the Final Settlement Date, the Company shall maintain minimum Capital Adequacy Ratio at 12% (Twelve Percent) or such levels as may be prescribed by the NHB from time to time.

6.6 REPORTING COVENANTS

The Issuer shall provide or cause to be provided to the Debenture Trustee and to the Debenture Holders, (including on any online reporting platform notified by the Debenture Trustee or any Debenture Holder), in form and substance reasonably satisfactory to the Debenture Trustee, each of the following items:

- (A) At least 15 (Fifteen) days prior to the Deemed Date of Allotment and on each anniversary of the Deemed Date of Allotment (where applicable):
 - (i) audited, consolidated and non-consolidated (if any) financial statements of the Company, for the preceding 4 (Four) completed Financial Years, prepared in accordance with Indian GAAP including its balance sheet, income statement and statement of cash flow;
 - (ii) duly certified copies of the latest business plan and financial projections of the Company;
 - (iii) a duly certified copy of a detailed list of sources of funding for the Company;
 - (iv) duly certified copy of the rating letter, provided by a recognized Rating Agency;
 - (v) the Constitutional Documents of the Company;
 - (vi) duly certified copies of the authorizations held by the Company to conduct its business;
 - (vii) details of the shareholding structure and composition of the board of directors in the Company;
 - (viii) list of management team including brief profile and organizational chart; and
 - (ix) any other legal or operational document or information as the Debenture Trustee may reasonably request.

Provided that if the Company obtains or reasonably should have obtained actual knowledge or notice of the occurrence of any event or circumstance, which would render any information provided in the documents listed above, to be incorrect, inaccurate or untrue, then the Company shall as soon as practicable, provide the relevant information to the Debenture Trustee.

- (B) As soon as available, and in any event within 180 (One Hundred and Eighty) calendar days after the end of each Financial Year of the Company:
 - (i) certified copies of its audited consolidated and non-consolidated (if any) financial statements for its most recently completed fiscal year, prepared in accordance with Indian GAAP, including its balance sheet, income statement and statement of cash flow. All such information shall be complete and correct in all material respects and shall fairly represent the financial condition, results of



operation and changes in cash flow and a list comprising all material financial liabilities of the Company whether absolute or contingent as of the date thereof;

- (ii) such additional information or documents as the Debenture Trustee may reasonably request;
- (D) As soon as available, and in any event within 45 (Forty Five) calendar days after the end of each fiscal half year of the Company certified copies of its un-audited consolidated and non-consolidated (if any) financial statements for its most recently completed Financial Year, prepared in accordance with Indian GAAP including its balance sheet and income statement. All such information shall be complete and correct in all material respects and fairly represents the financial condition, results of operation and changes in cash flow and a list comprising all material financial liabilities of the Company whether absolute or contingent as of the date thereof;
- (E) As soon as practicable, and in any event within 15 (Fifteen) Business Days after the Company obtains or reasonably should have obtained actual knowledge thereof, notice of the occurrence of any event or circumstance that could reasonably be expected to result in a Material Adverse Effect;
- (F) As soon as practicable, and in any event within 15 (Fifteen) Business Days after the Company obtains or reasonably should have obtained actual knowledge thereof, notice of any dispute, litigation, investigation or other proceeding affecting the Company or its property or operations, which, if adversely determined, could result in a Material Adverse Effect.
- (G) As soon as practicable, and in any event within 15 (Fifteen) Business Days after the Company obtains or reasonably should have obtained actual knowledge thereof obtains or reasonably, notice of the occurrence of any Event of Default or potential event of default.
- (J) As soon as practicable, and in any event within 15 (Fifteen) Business Days after such default, notice of any default in the observance or performance of any agreement or condition relating to any Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Indebtedness to cease (determined without regard to whether any notice is required) any such Indebtedness to become due prior to its stated maturity.
- (K) As soon as available and in any event within 20 (Twenty) calendar days after the end of each calendar month, a list comprising all material financial liabilities of the Company whether absolute or contingent as of the date thereof required and in form and substance satisfactory to the Debenture Trustee.
- (L) As soon as practicable and in any event within 30 (Thirty) calendar days a report certifying the calculation of financial covenant ratios set forth in Section 6.5 above for the previous calendar month.
- (M) As soon as practicable and in any event within 30 (Thirty) calendar days from the end of each fiscal quarter, deliver to the Debenture Trustee such figures and results necessary for the Debenture Trustee or the Debenture Holders to determine the fulfilment of the financial covenants specified in Section 6.5 above.
- (N) As soon as practicable and in any event within 30 (Thirty) calendar days of receipt of a request, such additional documents or information as the Debenture Trustee or the Debenture Holders, may reasonably request from time to time.
- (P) The Company hereby authorizes the Debenture Holder, in case of default, to institute an audit on the Company at the Debenture Holder's cost, provided such audit and request for information does not interfere with the operations of the Company. The Company agrees to render reasonable assistance at its own cost to any enquiry, evaluation and/or audit



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performed by persons or institutes indicated by the Debenture Holder on behalf of any Governmental Authority having jurisdiction over the Debenture Holder.

- (Q) The Debenture Holder shall notify the Company in writing if and when such an audit will take place. The findings of the audit will be discussed with the Company before finally being recorded in a report.

6.7 EVENT OF DEFAULT

Each of the following shall constitute an Event of Default with respect to the Debentures and shall be set out in the Transaction Documents.

(i) **Payment Defaults**

The Company does not pay on the Due Date any amount payable pursuant to the Transaction Documents and the Debentures at the place and in the currency in which it is expressed to be payable, unless its failure to pay is caused by technical error and payment is made within 3 (three) Business Days of its due date.

(ii) **Insolvency / Inability To Pay Debts**

The Company is unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its Indebtedness.

(iii) **Business**

The Company without obtaining the prior consent of the Special Majority Debenture Holders ceases to carry on its business or gives notice of its intention to do so.

(iv) **Financial Covenants**

The Company breaches one (or more) of the financial covenants prescribed in the Transaction Documents and such breach continues un-remedied for a period of 60 (Sixty) days from the date of occurrence, unless waived by the Debenture Trustee (with the prior consent of the Majority Debenture Holders) by way of a written intimation.

(v) **Misrepresentation**

Any representation or warranty made by the Company in any Transaction Document or in any certificate, financial statement or other document delivered to the Debenture Trustee/Debenture Holders by the Company shall prove to have been incorrect, false or misleading in any material respect when made or deemed made.

(vi) **Material Adverse Change**

There shall have occurred a change in the business, operations, property, Assets, liabilities, condition (financial or otherwise) or prospects of the Company since the date hereof that has resulted in a Material Adverse Effect.

(vii) **Cross Default**

The Company (A) defaults in any payment of any Indebtedness beyond the period of grace (not to exceed 30 (Thirty) days), if any, provided in the instrument or agreement under which such Indebtedness was created; or (B) defaults in the observance or performance of any agreement or condition relating to any Indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto or any other event shall occur or



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condition exist, the effect of which default or other event or condition is to cause or to permit the holder or holders of such Indebtedness to cause (determined without regard to whether any notice is required) any such Indebtedness to become due prior to its stated maturity; or (C) any Indebtedness of the Company shall be declared to be due and payable, or required to be prepaid other than by a regularly scheduled required prepayment, prior to the stated maturity thereof.

(viii) Liquidation or Dissolution of the Company / Appointment of Receiver or Liquidator

Any corporate action, legal proceedings or other procedure or step is taken in relation to:

- (A) the suspension of payments, a moratorium of any Indebtedness, winding-up, dissolution, administration or re-organisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Company;
- (B) a composition, compromise, assignment or arrangement with any creditor of the Company;
- (C) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of the Company; or
- (D) enforcement of any security over any Assets of the Company or any analogous procedure or step is taken in any jurisdiction.

Any other event occurs or proceeding instituted under any Applicable Law that would have an effect analogous to any of the events listed in sub-Clauses (A), (B), (C) and (D) above.

(ix) Creditors' Process

Any expropriation, attachment, garnishee, sequestration, distress or execution affects any Asset or Assets of the Company having an aggregate value of 10% (Ten percent) of the Total Assets of the Company and is not discharged within 30 (Thirty) calendar days or as otherwise provided in any order of any competent court or tribunal relating to the aforementioned actions.

(x) Judgment Defaults

One or more judgments or decrees entered against the Company involving a liability (not paid or not covered by a reputable and solvent insurance company), individually or in the aggregate, exceeding 10% (Ten percent) of the Total Assets of the Company provided such judgments or decrees are either final and non-appealable or have not been vacated, discharged or stayed pending appeal for any period of 30 (Thirty) consecutive calendar days.

(xi) Transaction Documents

The Transaction Document (in whole or in part), is terminated or ceases to be effective or ceases to be a legally valid, binding and enforceable obligation of the Company.

(xii) Unlawfulness

It is or becomes unlawful for the Company to perform any of its obligations under the Transaction Documents and/or any obligation or obligations of the Company under any Transaction Document are not or cease to be valid, binding or enforceable.

(xiii) Repudiation



The Company repudiates any of the Transaction Documents, or evidences an intention to repudiate any of the Transaction Documents.

(xiv) **Charge over Hypothecated Assets**

The Company creates or attempts to create any charge on the Hypothecated Assets or any part thereof that is in addition to the charge created under the Deed of Hypothecation.

(xv) **Security in Jeopardy**

In the opinion of the Debenture Trustee any Hypothecated Asset(s) is in jeopardy.

(xvi) **Security**

(A) The value of the Hypothecated Assets is insufficient to maintain the Security Cover and the Company fails to maintain the Security Cover within the stipulated timelines prescribed in the Deed of Hypothecation.

(B) Any of the Transaction Documents fails to provide the security interests, rights, title, remedies, powers or privileges intended to be created thereby (including the priority intended to be created thereby), or such security interests fail to have the priority contemplated under the Transaction Documents, or the security interests become unlawful, invalid or unenforceable.

(C) The Company creates or attempts to create any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having similar effect, over the Security, without the prior consent of the Debenture Trustee.

6.8 NOTICE ON THE OCCURRENCE OF AN EVENT OF DEFAULT

If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default, has occurred, the Company shall, forthwith give notice thereof to the Debenture Holders and the Debenture Trustee in writing specifying the nature of such event or Event of Default (as applicable).

6.9 CONSEQUENCES OF AN EVENT OF DEFAULT

If one or more Events of Default occur(s), the Debenture Trustee may, in its discretion, and, upon request, in writing, of the Special Majority Debenture Holders or by a Special Resolution duly passed at the meeting of the Debenture Holders held in accordance with the provisions set out in the Transaction Documents by a notice in writing to the Company initiate the following course of action:

- (a) subject to Applicable Law, require the Company to mandatorily redeem the Debentures and repay the principal amount on the Debentures, along with accrued but unpaid interest, Breakage Costs and other costs, charges and expenses incurred under or in connection with the Transaction Documents and other Transaction Documents;
- (b) subject to Applicable Law, declare that all or part of the Obligations be immediately due and payable, whereupon they shall become immediately due and payable;
- (c) to appoint any independent agency to inspect and examine the working of the Company and give a report to Debenture Holders/ the Debenture Trustee. The Company shall to give full co-operation and provide necessary assistance to such agency and bear all costs and expenses of the examination including the professional fees and travelling and other expenses;



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- (d) to take all such other action expressly permitted under the Transaction Documents or in the other Transaction Documents or permitted under the Law;
- (e) to exercise such other rights as the Debenture Trustee may deem fit under applicable Law to protect the interest of the Debenture Holders;
- (f) to accelerate the redemption of the Debentures;
- (g) enforce the charge over the Hypothecated Assets in accordance with the terms of the Deed of Hypothecation; and/or
- (h) exercise any other right that the Debenture Trustee and / or Debenture Holder(s) may have under the Transaction Documents or under Applicable Law.



SECTION 7: DISCLOSURES PERTAINING TO WILFUL DEFAULT

In case of listed debt securities made on private placement, the following disclosures are required to be made vide *SEBI (Issue and Listing of Debt Securities) (Amendment) Regulations, 2016 w.e.f. 25-05-16*:

The debenture will be unlisted till the maturity.

- (I) Name of the Bank declaring the entity as a Wilful Defaulter: N.A
- (II) The year in which the entity is declared as a Wilful Defaulter: N.A
- (III) Outstanding amount when the entity is declared as a Wilful Defaulter: N.A
- (IV) Name of the entity declared as a Wilful Defaulter: N.A
- (V) Steps taken, if any, for the removal from the list of wilful defaulters: N.A
- (VI) Other disclosures, as deemed fit by the Issuer in order to enable investors to take informed decisions: N.A
- (VII) Any other disclosure as specified by the Board: N.A



SECTION 8: OTHER INFORMATION AND APPLICATION PROCESS

The Debentures being offered as part of the Issue are subject to the provisions of the Act, the Memorandum and Articles of Association of the Issuer, the terms of this Information Memorandum, Application Form and other terms and conditions as may be incorporated in the Transaction Documents.

8.1 Mode of Transfer/Transmission of Debentures

Transfer and transmission of the Debentures shall be subject to the Depositories Act, 1996, the rules made thereunder, the bye-laws, rules and regulations of the Depository (each as amended, modified or restated from time to time). The Debentures shall be freely transferable and transmittable by the Debenture Holder(s) in whole or in part without the prior consent of the Company. The Debenture Holder(s) shall also have the right to novate, transfer or assign its rights and/or the benefits under the Transaction Documents upon such transfer/transmission of the Debentures.

It is clarified that the Company shall not assign any of the rights, duties or obligations under the Transaction Documents or in relation to the Debentures without the prior written consent of the Debenture Trustee (acting on the instructions of all the Debenture Holder(s)). However, it is clarified that no Investor shall be entitled to transfer the Debentures to a person who is not entitled to subscribe to the Debentures. The Debenture(s) shall be transferred and/or transmitted in accordance with the applicable provisions of the Act and other applicable laws. The Debentures held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by NSDL and the relevant DP's of the transferor or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, amounts due will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the R&T Agent as on the Record Date, under all circumstances. In cases where the transfer formalities have not been completed by the transferor, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in dematerialised form. The seller should give delivery instructions containing details of the buyer's DP account to his DP.

8.2 Debentures held in Dematerialised Form

The Debentures shall be held in dematerialised form and no action is required on the part of the Debenture Holder(s) for redemption purposes and the redemption proceeds will be paid by cheque/fund transfer/RTGS to those Debenture Holder(s) whose names appear on the list of beneficiaries maintained by the R&T Agent. The names would be as per the R&T Agent's records on the Record Date fixed for the purpose of redemption. All such Debentures will be simultaneously redeemed through appropriate debit corporate action.

The list of beneficiaries as of the Record Date setting out the relevant beneficiaries' name and account number, address, bank details and DP's identification number will be given by the R&T Agent to the Issuer. If permitted, the Issuer may transfer payments required to be made in any relation by EFT/RTGS to the bank account of the Debenture Holder(s) for redemption payments.

8.3 Trustee for the Debenture Holder(s)

The Issuer has appointed Catalyst Trusteeship Limited to act as trustee for the Debenture Holder(s). The Issuer and the Debenture Trustee intends to enter into the Debenture Trustee Agreement, the Deed of Hypothecation and the Debenture Trust Deed *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer. The Debenture Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the Debentures as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Debenture Holder(s). Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer *pro tanto* to the Debenture Holder(s). The Debenture Trustee will protect the interest of the Debenture Holder(s) in regard to the repayment of principal and yield thereon and they will take necessary action, subject to and in accordance with the Debenture Trustee Agreement, Deed of Hypothecation and the Debenture Trust Deed, at the cost of the Issuer. The Debenture Trustee Agreement, ✓



Deed of Hypothecation and the Debenture Trust Deed shall more specifically set out the rights and remedies of the Debenture Holder(s) and the manner of enforcement thereof.

8.4 Sharing of Information

The Issuer may, at its option, but subject to applicable laws, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holder(s) available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither the Issuer nor its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

8.5 Debenture Holder not a Shareholder

The Debenture Holder(s) shall not be entitled to any right and privileges of shareholders other than those available to them under the Act. The Debentures shall not confer upon the Debenture Holders the right to receive notice(s) or to attend and to vote at any general meeting(s) of the shareholders of the Issuer. If, however, any resolution affecting the rights attached to the Debentures is placed before the shareholders, such resolution will first be placed before the Debenture Holders for their consideration.

8.6 Modification of Transaction Documents

The Transaction Documents shall not be modified or amended without the written consent of the Debenture Trustee provided that the Debenture Trustee shall consent to a modification or an amendment only if such modification or amendment is approved by a consent in writing of the Majority Debenture Holder(s) for the time being outstanding, or by a Majority Resolution duly passed at a meeting of the Debenture Holder(s) convened in accordance with the provisions set out in the Transaction Documents. The Debenture Trustee shall give effect to such modification or amendment by executing necessary deed(s) supplemental to the Transaction Documents.

8.7 Variation in Debenture Holders' Rights

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with 100% (One Hundred percent) of Debenture Holders approving such modification by way of a unanimous resolution. PROVIDED THAT nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions governing the Debentures and the same are not acceptable to the Company.

8.8 Right to accept or reject Applications

The Board of Directors/Committee of Directors reserves its full, unqualified and absolute right to accept or reject any application for subscription to the Debentures, in part or in full, without assigning any reason thereof.

8.9 Notices

Any notice may be served by the Issuer/ Debenture Trustee upon the Debenture Holders in writing and, unless otherwise stated, may be made by facsimile, letter or electronic mail addressed to such Debenture Holder at its/his registered address or facsimile number.

All notice(s) to be given by the Debenture Holder(s) to the Issuer/ Debenture Trustee shall be in writing and, unless otherwise stated, may be made by facsimile, letter or electronic mail to the Issuer or to such persons at such address/ facsimile number as may be notified by the Issuer from time to time through suitable communication. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".

Notice(s) shall be deemed to be effective (a) in the case of registered mail, 3 (three) calendar days after posting; (b) 1 (One) Business Day after delivery by recognized overnight courier service, if sent for next Business Day delivery; or (c) in the case of facsimile at the time when dispatched with a report confirming proper transmission.



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Any communication in respect of the Transaction Documents and any notice served in relation to the Transaction Documents shall be made or served in accordance with the provisions of the Transaction Documents.

8.10 Issue Procedure

Only Eligible Investors as given hereunder and identified upfront by the Issuer may apply for the Debentures by completing the Application Form in the prescribed format in block letters in English as per the instructions contained therein. The minimum number of Debentures that can be applied for and the multiples thereof shall be set out in the Application Form. No application can be made for a fraction of a Debenture. Application Forms should be duly completed in all respects and applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be duly completed by the applicant. This is required for the applicant's own safety and these details will be printed on the refund orders and /or redemptions warrants.

The applicant should transfer payments required to be made in any relation by EFT/RTGS, to the bank account of the Issuer as per the details mentioned in the Application Form.

8.11 Application Procedure

Eligible investors will be invited to subscribe by way of the Application Form prescribed in the Information Memorandum during the period between the Issue Opening Date and the Issue Closing Date (both dates inclusive). The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole discretion, without giving any reasons or prior notice. The Issue will be open for subscription during the banking hours on each day during the period covered by the Issue Schedule.

8.12 Fictitious Applications

All fictitious applications will be rejected.

8.13 Basis of Allotment

Notwithstanding anything stated elsewhere, Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. Subject to the aforesaid, in case of over subscription, priority will be given to Investors on a first come first serve basis. The investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to Issuer by the Deemed Date of Allotment.

8.14 Payment Instructions

The Application Form should be submitted directly or through the Sole Arranger. The entire amount of Rs.10,00,000/- (Rupees Ten Lakh only) per Debenture is payable along with the making of an application. Applicants can remit the application amount through RTGS on Pay-in Date. The RTGS details of the Issuer are as under:

Beneficiary Name	:	Muthoot Housing Finance Company Limited
Bank Account No	:	000181400008319
SWIFT Code	:	YESBINBB
IFSC Code	:	YESB0000001
Bank Name	:	Yes Bank
Branch Address	:	YES Bank Limited ,Ground & First Floor, Mati Mahal Dr. Annie Besant Road, Next to City Bakery, Worli, Mumbai -400018

8.15 Eligible Investors

The following categories of Investors, who have been specifically approached and have been identified upfront, are eligible to apply for this private placement of Debentures subject to fulfilling their respective investment norms/rules and compliance with laws applicable to them by submitting all the relevant documents along with the Application Form:



- (i) Mutual Funds
- (ii) Non-banking financial companies
- (iii) Provident Funds and Pension Funds
- (iv) Corporates
- (v) Banks
- (vi) Insurance Companies
- (vii) Investment holding companies of high net worth individuals
- (viii) Any other person eligible to invest in the Debentures

All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this issue of Debentures.

Note: Participation by potential investors in the issue may be subject to statutory and/or regulatory requirements applicable to them in connection with subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that they comply with all regulatory requirements applicable to them, including exchange controls and other requirements. Applicants ought to seek independent legal and regulatory advice in relation to the laws applicable to them.

The Debentures are and have been placed on a private placement basis and shall not be issued to more than forty nine (49) Eligible Investors.

8.16 Procedure for Applying for Dematerialised Facility

- (i) The applicant must have at least one beneficiary account with any of the DP's of NSDL prior to making the application.
- (ii) The applicant must necessarily fill in the details (including the beneficiary account number and DP - ID) appearing in the Application Form under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form".
- (iii) Debentures allotted to an applicant will be credited to the applicant's respective beneficiary account(s) with the DP.
- (iv) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details maintained with the DP.
- (v) Non-transferable allotment advice/refund orders will be directly sent to the applicant by the Registrar and Transfer Agent to the Issue.
- (vi) If incomplete/incorrect details are given under the heading "Details for Issue of Debentures in Electronic/Dematerialised Form" in the Application Form, it will be deemed to be an incomplete application and the same may be held liable for rejection at the sole discretion of the Issuer.
- (vii) For allotment of Debentures, the address, nomination details and other details of the applicant as registered with his/her DP shall be used for all correspondence with the applicant. The applicant is therefore responsible for the correctness of his/her demographic details given in the Application Form vis-à-vis those with his/her DP. In case the information is incorrect or insufficient, the Issuer would not be liable for the losses, if any.
- (viii) The redemption amount or other benefits would be paid to those Debenture Holders whose names appear on the list of beneficial owners maintained by the R&T Agent as on the Record Date. In case of those Debentures for which the beneficial owner is not identified in the records of the R&T Agent as on the Record Date, the Issuer would keep in abeyance the payment of the redemption amount or other benefits, until such time that the beneficial owner is identified by the R&T Agent and conveyed to the Issuer, whereupon the redemption amount and benefits will be paid to the beneficiaries, as identified.



8.17 Depository Arrangements

The Issuer shall make necessary arrangement with NSDL for issue and holding of Debenture in dematerialised form.

8.18 List of Beneficiaries

The Issuer shall request the R&T Agent to provide a list of beneficiaries as at the end of each Record Date. This shall be the list, which will be used for payment or repayment of redemption monies.

8.19 Application under Power Of Attorney

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorized signatories of the Investor and the tax exemption certificate/document of the Investor, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to its agents or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

In case of an application made by companies under a power of attorney or resolution or authority, a certified true copy thereof along with memorandum and article. of association and/or bye-laws along with other constitutional documents must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason thereto. Names and specimen signatures of all the authorized signatories must also be lodged along with the submission of the completed Application Form.

8.20 Procedure for application by Mutual Funds and Multiple Applications

In case of applications by mutual funds and venture capital funds, a separate application must be made in respect of each scheme of an Indian mutual fund/venture capital fund registered with the SEBI and such applications will not be treated as multiple application, provided that the application made by the asset management company/trustee/custodian clearly indicated their intention as to the scheme for which the application has been made.

The application forms duly filled shall clearly indicate the name of the concerned scheme for which application is being made and must be accompanied by certified true copies of

- (i) SEBI registration certificate
- (ii) Resolution authorizing investment and containing operating instructions
- (iii) Specimen signature of authorized signatories

8.21 Documents to be provided by Investors

Investors need to submit the following documents, as applicable

- (i) Memorandum and Articles of Association or other constitutional documents
- (ii) Resolution authorising investment
- (iii) Power of Attorney to custodian
- (iv) Specimen signatures of the authorised signatories
- (v) SEBI registration certificate (for Mutual Funds)
- (vi) Copy of PAN card
- (vii) Application Form (including RTGS details)

8.22 Applications to be accompanied with Bank Account Details

Every application shall be required to be accompanied by the bank account details of the applicant and the magnetic ink character reader code of the bank for the purpose of availing direct credit of redemption amount and all other amounts payable to the Debenture Holder(s) through EFT/RTGS.

8.23 Succession

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In the event of winding-up of the holder of the Debenture(s), the Issuer will recognize the executor or administrator of the concerned Debenture Holder(s), or the other legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such executor or administrator or other legal representative as having title to the Debenture(s), unless such executor or administrator obtains probate or letter of administration or other legal representation, as the case may be, from a court in India having jurisdiction over the matter.

The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or other legal representation, in order to recognize such holder as being entitled to the Debenture(s) standing in the name of the concerned Debenture Holder on production of sufficient documentary proof and/or an indemnity.

8.24 Mode of Payment

All payments must be made through Cheque/RTGS/Electronic Mode as set out in the Application Form.

8.25 Effect of Holidays

In case any Due Date falls on a day which is not a Business Day the payment to be made on such Due Date shall be made on the next Business Day, except where such Due Date is for the payment of a Redemption Payment, in which case all payments to be made on the Redemption Date (including accrued interest), shall be made on the immediately preceding Business Day.

8.26 Tax Deduction at Source

All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without any Tax Deduction unless the Company is required to make a Tax Deduction pursuant to Applicable Law.

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source. For seeking TDS exemption/lower rate of TDS, relevant certificate/document must be lodged by the debenture holders at the office of the Registrar and Transfer Agents of the Company at least 15 (Fifteen) days before the relevant payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money, should be submitted along with the Application Form. Interest will be paid to the Debenture Holder subject to deduction of tax deducted at source at the rate prescribed from time to time under the Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time-being in force.

The Company shall promptly upon becoming aware that it must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Debenture Trustee accordingly. If the Company is required to make a Tax Deduction, it shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by Applicable Law. Within the earlier of (A) 60 (sixty) days of making either a Tax Deduction or any payment required in connection with that Tax Deduction or (B) 60 (sixty) days of each Due Date, the Company shall deliver to the Debenture Trustee evidence reasonably satisfactory to the Debenture Trustee that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

8.27 Letters of Allotment

The Debentures in dematerialized form, will be credited within 30 (Thirty) Business Days from the Deemed Date of Allotment.

8.28 Deemed Date of Allotment

All the benefits under the Debentures will accrue to the Investor from the specified Deemed Date of Allotment. The Deemed Date of Allotment for the Issue is March 20, 2018 by which date the Investors would be intimated of allotment.



8.29 Record Date

The Record Date will be 7 (Seven) Business Days prior to any Due Date.

8.30 Refunds

For applicants whose applications have been rejected or allotted in part, refund orders will be dispatched within 7 (Seven) days from the Deemed Date of Allotment of the Debentures.

In case the Issuer has received money from applicants for Debentures in excess of the aggregate of the application money relating to the Debentures in respect of which allotments have been made, the Registrar and Transfer Agent shall upon receiving instructions in relation to the same from the Issuer repay the moneys to the extent of such excess, if any.

8.31 Interest on Application Money

Interest shall be payable on all application monies received at the Interest Rate, from the Commencement Date up to 1 (one) day prior to the Deemed Date of Allotment for all valid applications, within 5 (Five) Business Days from the Deemed Date of Allotment. Where the entire subscription amount has been refunded, the interest on Application Money will be paid along with the refunded amount. Where an Applicant is allotted a lesser number of Debentures than applied for, the excess amount paid on application will be refunded to the applicant in the bank account of the Applicant as described in the Application Form towards interest on the refunded money by electronic mode of transfer like Cheque/RTGS/Electronic Mode. Details of allotment will be sent to every successful Applicant. In all cases, the interest instruments will be sent, at the sole risk of the Applicant / first Applicant.

8.32 Pan Number

Every applicant should mention its Permanent Account Number ("PAN") allotted under Income Tax Act, 1961, on the Application Form and attach a self attested copy as evidence. Application forms without PAN will be considered incomplete and are liable to be rejected.

8.33 Payment on Redemption

Payment on redemption will be made by way of cheque(s)/redemption warrant(s)/demand draft(s)/credit through RTGS system/funds transfer in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date.

The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL and accordingly the account of the Debenture Holder(s) with NSDL will be adjusted.

On the Issuer dispatching the amount as specified above in respect of the Debentures, the liability of the Issuer shall stand extinguished.

Disclaimer: Please note that only those persons to whom this memorandum has been specifically addressed are eligible to apply. However, an application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The list of documents provided above is only indicative, and an investor is required to provide all those documents / authorizations / information, which are likely to be required by the Issuer. The Issuer may, but is not bound to revert to any investor for any additional documents / information, and can accept or reject an application as it deems fit. Investment by investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of investors is required to check and comply with extant rules/regulations/guidelines, etc. governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any investor, neither is the Issuer required to check or confirm the same.



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SECTION 9: DECLARATION

I am authorized by the Board of Directors of the Company vide resolution dated February 19, 2017 to sign this Information Memorandum and declare that:

- (a) the Company has complied with the provisions of the Act and the rules made thereunder;
- (b) the compliance with the Act and the rules does not imply that payment of interest or repayment of debentures is guaranteed by the Central Government;
- (c) the monies received under the Issue shall be used only for the purposes and objects indicated in the Information Memorandum;
- (d) all the requirements of Act and the rules made thereunder in respect of the subject matter of this Information Memorandum and matters incidental thereto have been complied with and whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Information Memorandum has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum and Articles of Association; and
- (e) all the required attachments have been completely, correctly and legibly attached to this form.

For Muthoot Housing Finance Company Ltd.



Vikas Srivastava
Chief Financial Officer



Date:
Place: Mumbai
Attachments:-
Copy of board resolution
Copy of shareholders resolution

Information Memorandum
Date: March 15, 2018

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(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE I: TERM SHEET

As per Section 5.23 Issue details



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE II: RATING LETTER & RATING RATIONALE

Ratings



CONFIDENTIAL

MTBFCL/190180/SCD/121417
December 14, 2017

Mr. Vikas Srivastava
Chief Financial Officer
Muthoot Housing Finance Company Limited
12A/81, 13th Floor
Puram Chocpet, C-38-39
Bandra Kurla Complex,
Bandra East
Mumbai - 400051

Dear Mr. Vikas Srivastava,

Re: CRISIL Rating on the Rs.25 Crore Non-Convertible Debenture of Muthoot Housing Finance Company Limited.

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

CRISIL has, after due consideration, assigned a "CRISIL BBB+Stable" (pronounced "CRISIL, triple B plus rating with Stable outlook") rating to the captioned Debt instrument instruments with this rating are considered to have moderate degree of safety regarding timely servicing of financial obligations. Such instruments carry moderate credit risk.

Further, in view of your decision to accept the CRISIL Rating, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL 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/17/2012, dated October 22, 2012) on centralised 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 to 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 ratings@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 ratings@crsil.com.

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

With warm regards,

Yours sincerely,

Ajit Velam
Director - CRISIL Ratings



Nivedita Shetty
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 merits or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and omissions and states that it has no financial liability whatsoever to the investors / lenders / beneficiaries / subscribers of the product. CRISIL Ratings rating letters 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 helpline at 1800-257-7307.

CRISIL Limited
Corporate Identity Number: L87120MH108795/0342283

Registered Office: CRISIL House, Central Avenue, IT/Financial Business Park, Powai, Mumbai - 400075. Phone: +91 22 2242 2000 / Fax: +91 22 4042 5900
www.crsil.com



Ratings

CRISIL

An SBI Group Company

Details of the Rs.25 Crore Non-Convertible Debenture of
Muthoot Housing Finance Company Limited.

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

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



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 offer 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. As CRISIL ratings are under surveillance, ratings are reviewed as and when circumstances so warrant. CRISIL is not responsible for any errors and expressly states that it has no financial liability, whatsoever to the subscribers / users / beneficiaries / stakeholders of this product. CRISIL Ratings / RCRS: criteria are available without charge to the public on the CRISIL web site: www.crisil.com. For the latest rating information on any issue - Call if any company rated by CRISIL, please contact Customer Service helpline at 1800-287-1301.

CRISIL Limited

Corporate Identity Number: L871206MH19879L0342393

Registered Office: CRISIL House, Central Avenue, IT/Software Business Park, Pooni, Mumbai - 400016. Phone: +91 22 3342 3000 | Fax: +91 22 4040 5000
www.crisil.com

Ratings



Rating Rationale

December 15, 2017 | Mumbai

Muthoot Housing Finance Company Limited

Rating Action

Total Bank Loan Facilities Rated	Rs.850 Crore
Long Term Rating	CRISIL BBB+/Stable

Rs.25 Crore Non Convertible Debentures	CRISIL BBB+/Stable
--	--------------------

Code: MFL01

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL rating on the bank loan facilities and debt instrument of Muthoot Housing Finance Company Ltd (MHFCL) continues to reflect the support MHFCL receives from parent Muthoot Fincorp Ltd (MFL) rated CRISIL A-/CRISIL BBB/Stable/CRISIL A1) and adequate capitalization. These strengths are partially offset by modest asset quality and earnings profile.

Analytical Approach

For arriving at the ratings, CRISIL has assessed the standalone financial and business risk profile of the company. It has centrally factored in the company's strategic importance to, and strong support from, its parent, Muthoot Fincorp Ltd.

Key Rating Drivers & Detailed Description

Strengths

* Strong support from parent

CRISIL's ratings on MHFCL's debt instruments centrally factor in the expectation of support from MFL which, along with its promoters, jointly own 100% of MHFCL's equity capital. Given majority ownership, shared name, and common branding and corporate identity, MFL has a strong moral obligation to continue supporting MHFCL. In addition, the latter enables the Muthoot Papachan group's diversification into the strategically important and growing affordable housing finance segment. Most of the group's promoters serve as directors on the board of MHFCL and Mr Thomas Muthoot, executive director of MFL, is the managing director of MHFCL. MHFCL benefits from the Muthoot Papachan group's brand equity on the back of which the company enjoys bank loans at a competitive cost, despite having a short track record.

* Adequate capitalisation

MHFCL is comfortably capitalised, supported by MFL's ability to infuse capital. Promoters have infused equity of Rs 85 crore in the company since inception. Moreover, they infused additional Rs 25 crore in October 2017. As a result, adjusted gearing declined to 4.95 times as on October 2017, from 6.2 times as on September 30, 2017. Given secured nature of advances (backed by residential property as collateral) and lower asset-side risks, capitalisation should remain adequate over the medium term, gearing unlikely to exceed 7 times; while capital adequacy ratio will be 15-20%.

Weakness

* Modest asset quality because of weak credit risk profile of borrowers

MHFCL operates in the affordable housing segment and caters to borrowers with relatively weak credit risk profiles. The 60+dpd remained stable at 3.3% as on September 30, 2017. However, higher stoppages in Kerala and Tamil Nadu during fiscal 2015 and 2016 led to relatively high delinquencies. Moreover, in absolute terms early bucket delinquencies have declined.

The company finances customers engaged in small businesses such as provision store owners, vegetable and food stuff vendors, small business establishments, auto rickshaw drivers, contractors, and labourers. It also finances customers who avail of housing under various government-supported schemes such as housing for all mission and Pradhan Mantri Awas Yojana. These borrowers have relatively weak credit risk profiles because of the volatile nature of their income and employment in unorganised segments. Also, borrowers generally have limited or no access to formal housing finance in the absence of proper documentation evidencing income, limited documentation regarding property, particularly in semi-urban/rural areas, and lack of credit history. Therefore, MHFCL's asset quality will continue to be modest over the medium term.



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*** Modest earnings profile**

Profit of Rs 4.7 crore during fiscal 2017 was primarily supported by higher interest fee income following growing disbursements. MHPCL disbursed Rs 211 crore during fiscal 2017 compared to Rs 125 crore in the previous year. NIMs for MHPCL have increased from 3.8% during fiscal 2016 to 3.9% during fiscal 2017 primarily supported by lower borrowing cost. However, operating expenses have increased to 4.2% in fiscal 2017 due to expansion compared to 3.6% in fiscal 2016. Moreover with increasing competition in housing finance, yields for MHPCL shall remain under pressure. Hence MHPCL's earnings is expected to remain modest with RoA of 0.7-1% during fiscal 2018.

*** Small scale of operations with limited track record**

The company had a portfolio of Rs 626 crore as on September 30, 2017, at a 3-year compound annual growth rate of 25.2% and has been operating for just over 5 years. In addition, the affordable housing finance segment is still in its infancy, though it is fast evolving. Performance of the segment and MHPCL across economic cycles is yet to be demonstrated. The company will remain a small player in the competitive housing finance segment over the medium term.

Outlook: Stable

CRISIL believes MHPCL will continue to receive strong support from MFL and will maintain adequate capitalisation, over the medium term. The outlook may be revised to 'Positive' if asset quality and profitability improve significantly. The outlook may be revised to 'Negative' in case of change in CRISIL's view regarding the extent of support to MHPCL from MFL. Also, the outlook will remain sensitive to any change in CRISIL's outlook on MFL's ratings.

About the Company

MHPCL is part of the Muthoot Pappachan group and a subsidiary of the group's flagship company, MFL. The Muthoot Pappachan group has presence in diverse businesses such as lending against gold, vehicle finance, microfinance, money transfer, mutual fund distribution, hospitality, real estate, and power generation. MHPCL was incorporated in March 2010 and commenced operations in July 2011. It operates in the affordable housing finance segment and provides loans of up to Rs 25 lakh to people with income of Rs 10,000-30,000 per month for purchase, construction, and extension of house. MHPCL has presence in Maharashtra, Gujarat, Tamil Nadu, Kerala, Madhya Pradesh, Rajasthan, Uttar Pradesh, Karnataka, Chhattisgarh, and Pondicherry. As on September 30, 2017, network was Rs 65.2 crore and outstanding loan portfolio Rs 626 crore.

Key Financial Indicators

Particulars as March 31	Unit	2017	2016
Total assets	Rs. Cr.	635	457
Total income	Rs. Cr.	80	63
Profit after tax	Rs. Cr.	4.7	-3
Gross NPA	%	3.3	3.4
Adjusted gearing	Times	6.1	4.7
Return on assets	%	0.9	-0.5

Any other information: Not applicable

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

ANNEXURE III: CONSENT LETTER FROM THE DEBENTURE TRUSTEE

CATALYST
Refine it yourself, trust us



CLM/UM/17-18/DEV618

March 12, 2018

To,
Muthoot Housing Finance Company Limited
12A 01, 13th Floor, Parinee Coeseno,
Plot No. C-38 & C-39, Bandra Kurla Complex - G Block,
Bandra (East), Mumbai - 400051

Dear Sir,

Consent to act as Trustee for Secured, Redeemable, Unlisted, Non-Convertible Debentures aggregating upto INR 20 Crores to be issued by your Company.

This is with reference to the discussions in respect of appointment of Catalyst Trusteeship Limited (CTL) (Formerly GDA Trusteeship Limited) to act as Debenture Trustee for the Secured, Redeemable, Unlisted, Non-Convertible Debentures aggregating upto INR 20 Crores to be issued.

In this connection, we are agreeable to act as Trustee on the following trusteeship remuneration:

The Company and the Trustee shall enter into relevant trustee agreements and other necessary Debenture documents for the aforesaid issue of NCDs and term loans and also agree & undertakes to comply with the provisions of the SEBI (Debenture Trustees) Regulations, 1993, the RBI Circular No.RBI/2012-13/560 dated June 27, 2013, the Companies Act, 2013, the Companies (Share Capital and Debenture) Rules, 2014 and any other applicable statutes, regulations and provisions as amended from time to time.

The Company shall enter into Agreement w..a Trustee as required by Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993 thereby agreeing to create the security within three months from the date of closure of issue or in accordance with the Companies Act, 2013 or as per the provisions as prescribed by any regulatory authority as applicable and comply with the provisions of applicable laws.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

For Catalyst Trusteeship Limited

For Muthoot Housing Finance Company Limited



Authorized Signatory

Authorized Signatory

CATALYST TRUSTEESHIP LIMITED
Mumbai Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 022-25511000. Fax: 022-25511001.
Bangalore Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 080-25511000. Fax: 080-25511001.
Delhi Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 011-25511000. Fax: 011-25511001.
Chennai Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 044-25511000. Fax: 044-25511001.
Coimbatore Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 0942-25511000. Fax: 0942-25511001.
Hyderabad Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 080-25511000. Fax: 080-25511001.
Jaipur Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 0146-25511000. Fax: 0146-25511001.
Kolkata Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 033-25511000. Fax: 033-25511001.
Lucknow Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 0522-25511000. Fax: 0522-25511001.
New Delhi Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 011-25511000. Fax: 011-25511001.
Pune Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 020-25511000. Fax: 020-25511001.
Surat Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 079-25511000. Fax: 079-25511001.
Thane Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 022-25511000. Fax: 022-25511001.
Vadodra Office: 12th Floor, Plot No. 12A, Parinee Coeseno, Bandra Kurla Complex - G Block, Bandra (East), Mumbai - 400051. Tel: 079-25511000. Fax: 079-25511001.
Website: www.catalysttrusteeship.com



ANNEXURE IV: APPLICATION FORM**MUTHOOT HOUSING FINANCE COMPANY LIMITED**

CIN : U65922KL2010PLC025624

A Public limited company incorporated under the Companies Act, 1956

Date of Incorporation: March 05, 2010

Registered Office: TC NO 14/2074- 7 Muthoot Centre, Punnem Road,
Thiruvananthapuram, Kerala 695034

Corporate Office: 12A-01 13th Floor, Parinee Crescenzo,

C 38-39, Block G, Bandra Kurla Complex,

Bandra East, Mumbai 400051

Telephone No : 022 62728534

Website: www.muthoothousing.com

DEBENTURE SERIES APPLICATION FORM SERIAL NO. 1

ISSUE OF UPTO 200 SECURED RATED REDEEMABLE UNLISTED NON CONVERTIBLE
DEBENTURES OF RS. 1,000,000/- (RUPEES TEN LAKH ONLY) EACH AGGREGATING
UPTO RS. 200,000,000/- (RUPEES TWENTY CRORES ONLY), FULLY PAID UP FOR VALUE
AT PAR TO THE FACE VALUE

DEBENTURE SERIES APPLIED FOR:

Number of Debentures 200 In words Two Hundred Only

Amount Rs. 200,000,000/- in words Rupees Twenty Crores Only

DETAILS OF PAYMENT:

RTGS

No. _____ Drawn on _____

Funds transferred to Muthoot Housing Finance Company Limited

Dated _____

Total Amount Enclosed

(In Figures) _____ (In words) _____

APPLICANT'S NAME IN FULL (CAPITALS) SPECIMEN SIGNATURE

--	--

APPLICANT'S ADDRESS

ADDRESS	
----------------	--



STREET			
CITY			
E Mail			
PIN	PHONE	FAX	

APPLICANT'S PAN/GIR NO. _____ IT CIRCLE/WARD/DISTRICT _____

WE ARE ☐ COMPANY ☐ OTHERS ☐ SPECIFY _____

We have read and understood the Terms and Conditions of the issue of Debentures including the Risk Factors described in the Information Memorandum and have considered these in making our decision to apply. We bind ourselves to these Terms and Conditions and wish to apply for allotment of these Debentures. We request you to please place our name(s) on the Register of Holders.

Name of the Authorised Signatory(ies)	Designation	Signature

Applicant's
Signature

We the undersigned, are agreeable to holding the Debentures of the Company in dematerialised form. Details of my/our Beneficial Owner Account are given below:

DEPOSITORY	NSDL <input type="checkbox"/>
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY ACCOUNT NUMBER	
NAME OF THE APPLICANT(S)	

Applicant Bank Account :	
(Settlement by way of Cheque / Demand Draft / Pay Order / Direct Credit / ECS / NEFT/RTGS/other permitted mechanisms)	

FOR OFFICE USE ONLY	
DATE OF RECEIPT _____	DATE OF CLEARANCE _____

(Note: Cheque and Drafts are subject to realisation)

We understand and confirm that the information provided in the Information Memorandum is provided by the Issuer and the same has not been verified by any legal advisors to the Issuer, the Arranger and other intermediaries and their agents and advisors associated with this Issue. We confirm that we have for the purpose of investing in these Debentures carried out our own due diligence and made our own decisions with respect to investment in these Debentures and have not relied on any representations made by anyone other than the Issuer, if any.

We understand that: i) in case of allotment of Debentures to us, our Beneficiary Account as mentioned above would get credited to the extent of allotted Debentures, ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with our Depository



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

Participant, iii) if the names of the Applicant in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Debentures cannot be credited to our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application or issue the Debentures in physical form.

We understand that we are assuming on our own account, all risk of loss that may occur or be suffered by us including as to the returns on and/or the safe value of the Debentures and shall not look directly or indirectly to the Arranger (or to any person acting on its or their behalf) to indemnify or otherwise hold us harmless in respect of any such loss and/or damage. We undertake that upon sale or transfer to subsequent investor or transferee ("Transferee"), we shall convey all the terms and conditions contained herein and in this Information Memorandum to such Transferee. In the event of any Transferee (including any intermediate or final holder of the Debentures) suing the Issuer (or any person acting on its or their behalf) we shall indemnify the Issuer and the Arranger (and all such persons acting on its or their behalf) and also hold the Issuer and Arranger and each of such person harmless in respect of any claim by any Transferee.

Applicant's
Signature

FOR OFFICE USE ONLY

DATE OF RECEIPT _____ DATE OF CLEARANCE _____

(Note : Cheque and Drafts are subject to realisation)

------(TEAR HERE)-----

[•]- ACKNOWLEDGMENT SLIP

(To be filled in by Applicant) SERIAL NO.

1

Received from _____



Address _____

Cheque/Draft/UTR # _____ Drawn on _____ for Rs. _____
on account of application of _____ Debenture



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ANNEXURE V: LAST AUDITED FINANCIAL STATEMENTS

MUTHOOT HOUSING FINANCE COMPANY LIMITED BALANCE SHEET AS AT 31ST MARCH 2017			
	Note No.	As at 31-03-2017 Amount (Rs)	As at 31-03-2016 Amount (Rs)
ASSETS & LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	529,14,300	529,14,300
(b) Reserves and Surplus	2	304,46,302	314,10,736
		<u>833,60,602</u>	<u>843,25,036</u>
(2) Non-Current Liabilities			
(a) Long Term Borrowings	3	40,95,41,107	33,31,51,279
(b) Long Term Provisions	4	757,40,138	584,14,344
		<u>40,95,41,107</u>	<u>33,31,51,279</u>
(3) Current Liabilities			
(a) Short Term Borrowings	5	40,12,33,011	-
(b) Trade Payables	6	27,11,412	52,31,380
(c) Other Current Liabilities	7	1,11,14,007	6,74,28,684
(d) Short Term Provisions	8	48,05,788	26,07,334
		<u>1,10,83,528</u>	<u>85,13,026</u>
TOTAL		<u>874,40,821</u>	<u>867,20,147</u>
ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	9		
(i) Tangible Assets		72,18,485	57,60,540
(ii) Intangible Assets		54,169	83,499
(iii) Capital Work in Progress		6,10,447	-
(iv) Intangible Assets Under Development		10,80,080	10,08,080
(v) Deferred Tax Assets (Net)	10	262,84,149	142,20,217
(vi) Long Term Loans and Advances	11	5,42,21,173	4,25,43,343
(vii) Other Non-Current Assets	12	1,12,30,000	702,39,000
		<u>1,14,11,187</u>	<u>4,44,13,322</u>
(2) Current Assets			
(a) Cash and Bank Balance	13	64,48,460	14,09,870
(b) Short Term Loans and Advances	14	3,03,31,606	2,07,29,759
(c) Other Current Assets	15	80,47,707	461,12,126
		<u>4,48,27,773</u>	<u>4,62,51,755</u>
TOTAL		<u>874,40,821</u>	<u>867,20,147</u>
Signatures, Accounting Policies Notes to Accounts	16 17-18		
The notes referred above form an integral part of the Financial Statements			
As per our attached report of even date			
For Muthoot & Co. LLP Chartered Accountants ICAI Firm Registration No. 1002249M100048		For and on behalf of the Board of Muthoot Housing Finance Company Limited	
 Sidharth Jain Partner Membership No. 118264		 Thomas Mathew Managing Director DIN: 00093423	
		 Thomas George Mathew Director DIN: 00011572	
Place: Mumbai Date: 15th April 2018		Place: Cochin Date: 15th April 2018	
		 S. Suran Company Secretary	
		 Vignesh Chief Financial Officer	

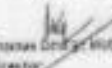
Information Memorandum

Date: March 15, 2018

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MUTHOOT HOUSING FINANCE COMPANY LIMITED			
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017			
	Note No.	For the Year ended 31-Mar-17 Amount (Rs)	For the Year ended 31-Mar-16 Amount (Rs)
(A) REVENUE			
(a) Revenue from Operations	16	8227,81,190	8243,87,809
(b) Other income	17	1,24,827	-
TOTAL REVENUE		8029,58,017	8243,87,809
(B) EXPENSES			
(a) Employee Benefits Expense	18	1482,61,064	1065,22,792
(b) Finance Cost	19	5230,87,482	4040,29,720
(c) Depreciation & Amortisation	9	44,10,092	37,13,874
(d) Other Expenses	20	547,24,072	908,91,531
TOTAL EXPENSES		7604,84,312	6052,60,440
Profit / (Loss) Before Tax (1-4)		444,73,705	(219,73,631)
Tax Expense			
Current Tax		101,71,181	-
Deferred Tax	20	(102,04,335)	(125,37,148)
Taxes for earlier years		-	2,09,709
Profit / (Loss) for the Year		472,56,164	(211,45,797)
Earnings Per Equity Share (Face Value of Rs. 10/- each)			
(1) Basic		0.50	0.48
(2) Diluted		0.50	0.48
Significant Accounting Policies	21		
Notes to Accounts	22-50		
The notes referred above form an integral part of the Financial Statements			
As per our attached report of even date			
For Muthoot & Co. LLP Chartered Accountants CA Firm Registration No. 10332547/M/000402		For and on behalf of the Board of Muthoot Housing Finance Company Limited	
 S. S. Suresh Partner Firm Registration No. 1140014		 Thomas Muthoot Managing Director DIN: 000115055	
		 Thomas George Muthoot Director DIN: 000115552	
Place: Mumbai Date: 14th April, 2018		 S. Suresh Company Secretary	
		 V. S. Suresh Chief Financial Officer	



(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MUTHOOT HOUSING FINANCE COMPANY LIMITED
BALANCE SHEET AS AT 31ST MARCH 2016

	Note No.	As at 31-03-2016 Amount (Rs)	As at 31-03-2015 Amount (Rs)
(I) EQUITY & LIABILITIES			
(1) Shareholders' Funds	1	5229,14,000	3865,59,000
(a) Share Capital	2	2983,50,128	1158,59,125
(b) Reserves and Surplus		2245,63,872	2706,99,875
(2) Non-Current Liabilities			
(A) Long Term Borrowings	3	32271,53,299	34284,31,524
(B) Long Term Provisions	4	581,59,650	308,57,314
		32853,12,949	34592,88,838
(3) Current Liabilities			
(A) Trade Payables	5	52,31,100	47,89,340
(B) Other Current Liabilities	6	6764,08,698	4910,81,234
(C) Short Term Provisions	7	33,30,932	6,74,154
		6849,61,730	5018,45,728
TOTAL		47465,29,147	44635,35,671

(II) ASSETS

(1) Non-Current Assets			
(A) Fixed Assets	8		
(i) Tangible Assets		57,60,543	50,92,983
(ii) Intangible Assets		83,499	22,23,894
(iii) Intangible Assets Under Development		10,00,000	10,00,000
(B) Deferred Tax Assets (Net)	9	142,80,820	12,42,820
(C) Long Term Loans and Advances	10	42484,53,880	37295,09,563
(D) Others Non-Current Assets	11	332,10,000	572,30,000
		43149,57,943	37972,96,169
(2) Current Assets			
(A) Cash and Bank Balance	12	1528,70,585	5149,55,157
(B) Short Term Loans and Advances	13	2135,49,524	1084,36,167
(C) Other Current Assets	14	382,01,686	328,45,038
		4045,21,795	6662,36,362
TOTAL		47465,29,147	44635,35,671

Significant Accounting Policies
Notes To Accounts20
21-30

The notes referred above form an integral part of the Financial Statements

As per our attached report of even date

For Harbhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523WAmit Harbakti
Partner
Membership No. : 120761Place : Mumbai
Date : 3rd JUNE, 2016For and on behalf of the Board of
Muthoot Housing Finance Company LimitedThomas Muthoot
Managing DirectorThomas George Muthoot
DirectorPlace : Cochin
Date : 2nd June 2016Thomas John Muthoot
DirectorS. Suresh
Company SecretaryVikas Srinivasan
Chief Financial Officer

Information Memorandum
Date: March 15, 2018

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(This Information Memorandum is neither a prospectus nor a statement in lieu of a prospectus)

MUTHOOT HOUSING FINANCE COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

	Note No.	For the Year ended 31-Mar-16 Amount (Rs)	For the Year ended 31-Mar-15 Amount (Rs)
(I) REVENUE			
(a) Revenue from Operation	15	6345,87,809	5293,56,180
(b) Other Income	16	-	28,620
TOTAL		6345,87,809	5293,84,800
(II) EXPENSES			
(a) Employee Benefit Expenses	17	1065,32,292	809,64,878
(b) Finance Cost	18	4643,29,925	4016,07,877
(c) Depreciation & Amortisation	8	57,13,874	54,60,846
(d) Other Expenses	19	909,94,654	584,95,026
TOTAL		5675,60,845	5487,29,427
Loss before Tax		(329,73,036)	(193,46,427)
Tax Expenses			
Current Tax		-	-
Deferred Tax	9	120,37,168	6,08,649
Taxes for earlier years		(7,09,929)	-
Loss for the Year		(216,45,797)	(187,37,778)
Basic/Diluted Earnings Per Share (Face Value of Rs. 10/- each)		(0.48)	(0.48)
Significant Accounting Policies Notes to Accounts	20 21-38		

The Notes referred above form an integral part of the Financial Statements

As per our attached report of even date

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 1035230A

Anil Handia
Partner
Membership No. : 110761



For and on behalf of the Board of
Muthoot Housing Finance Company Limited

Thomas Muthoot
Managing Director

Thomas George Muthoot
Director

Thomas John Muthoot
Director

S. Suresh
Company Secretary

Place : Cochin
Date : 2nd June 2016

Vijay Srivastava
Chief Financial Officer

Place : Mumbai
Date : 3rd JUNE, 2016



Information Memorandum

Date: March 15, 2018

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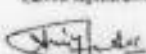
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MUTHOOT HOUSING FINANCE COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2018

Particulars	For the Year ended 31-Mar-18 Amount (Rs)	For the Year ended 31-Mar-17 Amount (Rs)
Profit/(Loss) Before Taxation	(1,29,73,016)	11,91,46,427
Add:		
Debit/Debit	57,11,871	56,61,444
Provision on standard assets	21,47,490	75,83,916
Provision on Non Performing Assets	2,62,19,409	1,25,38,194
Other Provisions and Write Offs	21,76,281	3,33,262
	1,64,79,056	2,58,44,016
OPERATING PROFIT	15,06,020	24,59,617
Adjustment For:		
(Increase)/Decrease in Short Term Loans & Advances	(10,52,11,347)	(1,70,40,166)
(Increase)/Decrease in Long Term Loans & Advances	(51,84,74,033)	(90,89,14,501)
(Increase)/Decrease in Other Bank Balance (FD)	(1,56,04,147)	(1,10,51,842)
(Increase)/Decrease in Other Current Liabilities	7,15,634	10,80,515
(Increase)/Decrease in Short Term Provision	13,46,778	(95,51,705)
(Increase)/Decrease in Long term provision	(12,92,482)	28,38,470
(Increase)/Decrease in Trade Payables	8,41,960	16,59,223
(Increase)/Decrease in other current assets	(71,94,331)	(1,05,51,712)
	64,22,74,199	(56,60,30,178)
CASH GENERATED FROM OPERATIONS	(62,87,65,179)	(98,28,32,547)
Taxes Paid	(26,80,114)	(54,70,315)
NET CASH USED IN OPERATING ACTIVITIES	(94,14,48,393)	(96,90,02,862)
Cash Flow From Investing Activities		
Purchase of Fixed Assets	(42,41,048)	(41,92,937)
(Increase) / Decrease in Intangible Assets under development	-	-
NET CASH USED IN INVESTING ACTIVITIES	(42,41,048)	(42,02,937)
Cash Flow From Financing Activities		
Proceeds from issue of Shares	15,63,64,900	-
Reversal of Share Premium on issue of Shares	15,26,30,800	-
Proceeds from borrowings	86,00,00,000	1,74,60,00,000
Repayment of borrowings	(88,70,90,286)	(44,42,37,192)
(Increase)/Decrease in Short term borrowings	-	(12,40,135)
NET CASH GENERATED FROM FINANCING ACTIVITIES	27,90,00,514	1,20,20,01,673
Net Increase in Cash and Cash Equivalents during the year	(37,26,88,919)	31,87,96,854
Cash & Cash Equivalents as at beginning of year		
Cash on hand	19,71,743	3,74,041
Bank balance in current account	19,38,48,363	20,36,62,420
Fixed Deposit (less than 1 month maturity)	32,70,13,309	-
Total Cash & Cash Equivalents as at beginning of year	52,18,33,315	25,46,36,461
Cash & Cash Equivalents as at end of year		
Cash on hand	41,45,304	19,71,743
Bank balance in current account	4,55,71,034	19,38,48,363
Fixed Deposit (less than 3 month maturity)	10,04,28,058	32,70,13,309
Total Cash & Cash Equivalents as at end of year	18,01,44,396	52,18,33,315

As per our attached report of even date

For Harbhaad & Co. LLP
Chartered Accountants
C.A. Firm Registration No. 000927W


Anil Harbhaad
Partner

Membership No. - 120761



Place : Mumbai
Date : 3rd JUNE, 2018

For and on behalf of the Board of
Muthoot Housing Finance Company Limited


Thomas Muthoot
Managing Director


Thomas Muthoot
Director

Place : Cochin
Date : 2nd June, 2018


Thomas John Muthoot
Director


S. Suresh
Company Secretary

Vikas Srinivasan
Chief Financial Officer



ANNEXURE VI: ILLUSTRATION OF BOND CASH FLOWS

Illustration of Bond Cash Flows	
Company	Muthoot Housing Finance Company Limited
Face Value (per security)	Rs. 1,000,000/- (Rupees Ten Lakh only)
Issue Date / Date of Allotment	March 20, 2018
Redemption	16 equal quarterly instalments commencing from 12 months from the date of allotment as mentioned in table below
Coupon Rate	11.00% (Eleven Percent) XIRR calculated monthly and payable semi-annually, equivalent to 10.255% p.a. monthly coupon
Frequency of the Coupon Payment	Semi-Annual
Day Count Convention	Actual/365

Date	No. of days between Coupon Dates	Interest accrued (INR)	Redemption Payment	Interest payment	Cashflow (INR)
20-Mar-18			(20,00,00,000)		(20,00,00,000)
20-Apr-18	31	17,80,570			-
20-May-18	30	17,22,886			-
20-Jun-18	31	17,80,570			-
20-Jul-18	30	17,22,886			-
20-Aug-18	31	17,80,570			-
20-Sep-18	31	17,80,570		1,05,68,051	1,05,68,051
20-Oct-18	30	17,22,886			-
20-Nov-18	31	17,80,570			-
20-Dec-18	30	17,22,886			-
20-Jan-19	31	17,80,570			-
20-Feb-19	31	17,80,570			-
20-Mar-19	28	16,07,566		1,03,95,047	1,03,95,047
20-Apr-19	31	17,80,570			-
20-May-19	30	17,22,886			-
20-Jun-19	31	17,80,570	1,25,00,000		1,25,00,000
20-Jul-19	30	16,15,205	-		-
20-Aug-19	31	16,69,284	-		-
20-Sep-19	31	16,69,284	1,25,00,000	1,02,37,800	2,27,37,800
20-Oct-19	30	15,07,525	-		-
20-Nov-19	31	15,57,999	-		-
20-Dec-19	30	15,07,525	1,25,00,000		1,25,00,000
20-Jan-20	31	14,46,713	-		-
20-Feb-20	31	14,46,713	-		-
20-Mar-20	29	13,52,989	1,25,00,000	88,19,464	2,13,19,464
20-Apr-20	31	13,35,428	-		-
20-May-20	30	12,92,164	-		-
19-Jun-20	30	12,92,164	1,25,00,000		1,25,00,000
20-Jul-20	31	12,24,142	-		-
20-Aug-20	31	12,24,142	-		-
18-Sep-20	29	11,44,837	1,25,00,000	75,12,877	2,00,12,877
20-Oct-20	32	11,48,919	-		-
20-Nov-20	31	11,12,856	-		-
18-Dec-20	28	10,04,729	1,25,00,000		1,25,00,000
20-Jan-21	33	10,66,493	-		-
20-Feb-21	31	10,01,571	-		-
19-Mar-21	27	8,71,836	1,25,00,000	62,06,405	1,87,06,405
20-Apr-21	32	9,19,135	-		-
20-May-21	30	8,61,443	-		-
18-Jun-21	29	8,32,609	1,25,00,000		1,25,00,000
20-Jul-21	32	8,04,244	-		-
20-Aug-21	31	7,78,999	-		-
20-Sep-21	31	7,78,999	1,25,00,000	49,75,429	1,74,75,429

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20-Oct-21	30	6,46,082	-	-	-
20-Nov-21	31	6,67,714	-	-	-
20-Dec-21	30	6,46,082	1,25,00,000	-	1,25,00,000
20-Jan-22	31	5,56,428	-	-	-
20-Feb-22	31	5,56,428	-	-	-
18-Mar-22	26	4,66,348	1,25,00,000	35,39,082	1,60,39,082
20-Apr-22	33	4,73,997	-	-	-
20-May-22	30	4,30,721	-	-	-
20-Jun-22	31	4,45,143	1,25,00,000	-	1,25,00,000
20-Jul-22	30	3,23,041	-	-	-
20-Aug-22	31	3,33,857	-	-	-
20-Sep-22	31	3,33,857	1,25,00,000	23,40,616	1,48,40,616
20-Oct-22	30	2,15,361	-	-	-
20-Nov-22	31	2,22,571	-	-	-
20-Dec-22	30	2,15,361	1,25,00,000	-	1,25,00,000
20-Jan-23	31	1,11,286	-	-	-
20-Feb-23	31	1,11,286	-	-	-
20-Mar-23	28	1,00,473	1,25,00,000	9,76,337	1,34,76,337
Total		6,55,71,108		6,55,71,108	

