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**PIRAMAL ENTERPRISES LIMITED**

Our Company was originally incorporated as a public limited company under the name of 'Indian Schering Limited' on April 26, 1947 under the provisions of the Indian Companies Act, 1913, pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai ("RoC"). Subsequently, the name of our Company was changed pursuant to fresh certificates of incorporation granted by the RoC, to Nicholas Laboratories India Limited with effect from September 27, 1979, to Nicholas Piramal India Limited with effect from December 2, 1992, to Piramal Healthcare Limited with effect from May 13, 2008 and to Piramal Enterprises Limited with effect from July 31, 2012. We have obtained a certificate of registration dated July 21, 2022, bearing number N13-02432 issued by the Reserve Bank of India ("RBI") to commence/ carry on the business of non-banking financial company under Section 45-IA of the RBI Act, 1934. For more information about our Company, please see "General Information" on page 20 of this Tranche I Prospectus and "History and Certain Corporate Matters" on pages 158 of the Shelf Prospectus.

**Corporate Identity Number:** L24110MH1947PLC005719; **PAN:** AAACN4538P  
**Registered Office and Corporate Office:** Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai 400 070, Maharashtra, India  
**Tel:** +91 22 3802 3000/4000; **Website:** www.piramal.com; **Email:** treasury.pchf@piramal.com; bipin.singh@piramal.com; **Facsimile:** +91 22 3802 3884  
**Company Secretary and Compliance Officer:** Bipin Singh; **Tel:** 022 3802 3805; **Email:** bipin.singh@piramal.com  
**Chief Financial Officer:** Upma Goel; **Tel:** 022 3802 3145; **Email:** upma.goel@piramal.com

**PUBLIC ISSUE BY OUR COMPANY OF UPTO 10,000,000 SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH ("NCDs") FOR AN AMOUNT AGGREGATING UP TO ₹ 200 CRORES ("BASE ISSUE SIZE") WITH A GREEN SHOE OPTION OF ₹ 800 CRORES AMOUNTING TO ₹ 1,000 CRORES ("TRANCHE I ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹ 3,000 CRORES ("SHELF LIMIT") AND IS BEING OFFERED BY WAY OF THIS TRANCHE I PROSPECTUS DATED OCTOBER 16, 2023 CONTAINING INTER ALIA THE TERMS AND CONDITIONS OF TRANCHE I ISSUE ("TRANCHE I PROSPECTUS") WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED OCTOBER 16, 2023 ("SHELF PROSPECTUS") FILED WITH THE ROC, STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"), THE SHELF PROSPECTUS AND THIS TRANCHE I PROSPECTUS CONSTITUTES THE PROSPECTUS ("PROSPECTUS"). THIS ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON - CONVERTIBLE SECURITIES) REGULATIONS, 2021, AS AMENDED (THE "SEBI NCS REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013") TO THE EXTENT NOTIFIED AND THE SEBI MASTER CIRCULAR. THE ISSUE IS NOT UNDERWRITTEN.**

**OUR PROMOTER**

Our Promoter is Ajay G. Piramal. Tel: 022 - 30466401, E-mail: chairman.pel@piramal.com. For further details, see "Our Promoter" beginning on page 185 of the Shelf Prospectus.

**GENERAL RISKS**

Investment in non-convertible securities is risky, and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the Issuer and the Issue including the risks involved in it. For taking an investment decision, investors must rely on their examination of the Issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under "Risk Factors" on page 21 of the Shelf Prospectus and "Material Developments" on page 53 of this Tranche I Prospectus before making an investment in such an Issue. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities. This Tranche I Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), RoC or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

**ISSUER'S ABSOLUTE RESPONSIBILITY**

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

**CREDIT RATING**

The NCDs proposed to be issued pursuant to this Issue have been rated [ICRA]AA (Stable) (Double A; Outlook: Stable) by ICRA Limited for an amount of up to ₹ 3,000 crores by way of its letter dated June 27, 2023 revaluated by way of letter dated October 9, 2023 and rated CARE AA; Stable (Double A; Outlook: Stable) by CARE Ratings Limited for an amount of up to ₹ 3,000 crores by way of its letter dated August 1, 2023 revaluated by way of letter dated October 13, 2023. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The rating issued by ICRA Limited is live until withdrawn or changed and as available on ICRA's website, and the ratings issued by CARE Ratings Limited is valid as on the date of this Tranche I Prospectus and shall remain valid on date of issue and Allotment of the NCDs and listing of the NCDs on Stock Exchanges until the ratings are revised or withdrawn. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. In case of any change in credit ratings till the listing of NCDs, our Company will inform the investors through public notices/ advertisements in all those newspapers in which pre issue advertisement has been given. For the rationale and press release for these ratings, see "General Information" and "Annexure A" of this Tranche I Prospectus, beginning on pages 20 and 137, respectively.

**PUBLIC COMMENTS**

The Draft Shelf Prospectus dated August 28, 2023 was filed with BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") along with BSE, the "Stock Exchanges", pursuant to the provisions of SEBI NCS Regulations and was kept open for public comments for a period of seven Working Days from the date of filing of the Draft Shelf Prospectus with the Stock Exchanges. i.e. up to September 5, 2023 (until 5:00 p.m.). No comments were received on the Draft Shelf Prospectus till 5:00pm on September 5, 2023.

**LISTING**

The NCDs offered through this Tranche I Prospectus, are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/PI-BOND/012/23-24 dated September 6, 2023 and from NSE by way of its letter bearing reference number NSE/LIST/D/2023/0214 dated September 5, 2023. For the purposes of this Issue, BSE shall be the Designated Stock Exchange.

**COUPON RATE, COUPON PAYMENT FREQUENCY, REDEMPTION DATE, REDEMPTION AMOUNT AND ELIGIBLE INVESTORS**

For details pertaining to Coupon Rate, Coupon Payment Frequency, Redemption Date and Redemption Amount of the NCDs, see "Terms of the Issue" beginning on page 83. For details relating to eligible investors, see "Issue Structure" beginning on page 77.

**LEAD MANAGERS TO THE ISSUE**

**REGISTRAR TO THE ISSUE**

 <b>A. K. Capital Services Limited</b> 603, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz East, Mumbai 400 098, Maharashtra, India <b>Tel:</b> +91 22 6754 6500 <b>Facsimile:</b> +91 22 6610 0594 <b>Email:</b> pelncd2023@akgroup.co.in <b>Investor Grievance Email:</b> investor.grievance@akgroup.co.in <b>Website:</b> www.akgroup.co.in <b>Contact Person:</b> Aanchal Wagle/ Milan Soni	 <b>JM Financial Limited</b> 7 <sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India <b>Tel:</b> +91 22 6630 3030 <b>Facsimile:</b> +91 22 6630 3330 <b>Email:</b> pel.ncdisue2023@jmfll.com <b>Investor Grievance Email:</b> grievance.ibd@jmfll.com <b>Website:</b> www.jmfll.com <b>Contact Person:</b> Prachee Dhuri	 <b>Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)</b> 8th Floor, Wing A, Building No 3 Inspire BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051 <b>Tel:</b> +91 22 4009 4400 <b>Email:</b> pel.ncd@nuvama.com <b>Investor Grievance Email:</b> customer.service.mb@nuvama.com <b>Website:</b> www.nuvama.com <b>Contact Person:</b> Saili Dave	 <b>Trust Investment Advisors Private Limited</b> 109/110, Balarama, Bandra Kurla Complex, Bandra East Mumbai 400 051, Maharashtra, India <b>Tel:</b> +91 22 4084 5000 <b>Facsimile:</b> +91 22 4084 5066 <b>Email:</b> projectkrishna.trust@trustgroup.in <b>Investor Grievance Email:</b> customercare@trustgroup.in <b>Website:</b> www.trustgroup.in <b>Contact Person:</b> Hani Jalan	 <b>Link Intime India Private Limited</b> C 101, 1 <sup>st</sup> Floor, 247 Park L.B.S. Marg, Vikhroli West Mumbai - 400 083, Maharashtra, India <b>Tel:</b> +91 8108114949 <b>Facsimile:</b> +91-022-49186060 <b>E-mail:</b> pel.ncd@linkintime.co.in <b>Website:</b> www.linkintime.co.in <b>Investor grievance e-mail:</b> pel.ncd@linkintime.co.in <b>Contact person:</b> Sumeet Deshpande <b>SEBI Registration No.:</b> INR000004058
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**CREDIT RATING AGENCIES**

**DEBENTURE TRUSTEE\*\***

**JOINT STATUTORY AUDITORS**

 <b>ICRA Limited</b> Electric Mansion, 3rd floor, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025 <b>Tel:</b> +91 22 61143406 <b>Facsimile:</b> +91 22 24331390 <b>E-mail:</b> shivakumar@icraindia.com <b>Website:</b> www.icra.in <b>Contact Person:</b> L. Shivakumar	 <b>CARE Ratings Limited</b> 4th Floor, Godrej Coliseum, Somaiya Hospital Rd, off Eastern Express Highway, Sion East, Mumbai, Maharashtra 400022 <b>Tel:</b> +9122 6754 3456 <b>E-mail:</b> kruti.rawal@careratings.com <b>Website:</b> www.careratings.com <b>Contact Person:</b> Kruti Rawal	 <b>IDBI Trusteeship Services Limited**</b> Universal Insurance Building Ground Floor, Sir P.M. Road Fort, Mumbai - 400 001 <b>Tel:</b> +91 22 40807015, +91 8097474646 <b>Facsimile:</b> +91 22 66311776 <b>Email:</b> response@idbitrustee.com <b>Investor Grievance Email:</b> response@idbitrustee.com, yash.ghelani@idbitrustee.com, gaurav.jeswani@idbitrustee.com, nikhil@idbitrustee.com, teamivory@idbitrustee.com <b>Website:</b> www.idbitrustee.com <b>Contact Person:</b> Nikhil Lohana, Gaurav Jeswani, Yash Ghelani	<b>M/s. Suresh Surana &amp; Associates LLP</b> 308-309, A wing, Technopolis Knowledge Park, Mahakali Caves Road, Andheri (East), Mumbai 400 093, Maharashtra, India <b>Tel:</b> +91 22 61915555 <b>Firm Registration No.:</b> 121750W/W-100010 <b>Email:</b> santosh.maller@ss-associates.com <b>Peer Review Certificate No.:</b> 014084 <b>Contact Person:</b> Santosh Maller
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**ISSUE PROGRAMME\***

**TRANCHE I ISSUE OPENS ON: THURSDAY, OCTOBER 19, 2023** **TRANCHE I ISSUE CLOSES ON: THURSDAY, NOVEMBER 2, 2023**

\* This Tranche I Issue shall remain open for subscription on Working Days from 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the period indicated in this Tranche I Prospectus. Our Company may, in consultation with the Lead Managers consider closing the Tranche I Issue on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of this Tranche I Issue and subject to not exceeding thirty days from filing the Tranche I Prospectus with ROC including any extensions) as may be decided by the Administrative Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche I Issue has been given on or before such earlier or initial date of Tranche I Issue closure. Application Forms for this Tranche I Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Tranche I Issue Period. On the Tranche I Issue Closing Date, the Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. (Indian Standard Time) on one Working Day after the Tranche I Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 77 of this Tranche I Prospectus.

\*\* IDBI Trusteeship Services Limited pursuant to Regulation 8 of the SEBI NCS Regulations and by way of letter dated August 28, 2023 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Shelf Prospectus, Shelf Prospectus and this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue.

A copy of the Shelf Prospectus and this Tranche I Prospectus has been filed with the RoC, in terms of Section 26 and Section 31 of the Companies Act, 2013, along with the endorsed/ certified copies of all requisite documents. For further details, see "Material Contracts and Documents for Inspection" beginning on page 133

## TABLE OF CONTENTS

<b>SECTION I – GENERAL .....</b>	<b>1</b>
DEFINITIONS AND ABBREVIATIONS .....	1
CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION .....	14
FORWARD-LOOKING STATEMENTS.....	18
<b>SECTION II – INTRODUCTION.....</b>	<b>20</b>
GENERAL INFORMATION .....	20
STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURES HOLDERS UNDER THE APPLICABLE LAWS IN INDIA .....	30
OBJECTS OF THE ISSUE .....	49
MATERIAL DEVELOPMENTS.....	53
OTHER REGULATORY AND STATUTORY DISCLOSURES .....	54
<b>SECTION III – ISSUE RELATED INFORMATION.....</b>	<b>77</b>
ISSUE STRUCTURE.....	77
TERMS OF THE ISSUE.....	83
ISSUE PROCEDURE .....	100
<b>SECTION IV – MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION .....</b>	<b>133</b>
DECLARATION.....	135
<b>ANNEXURE A .....</b>	<b>136</b>
<b>ANNEXURE B .....</b>	<b>137</b>
<b>ANNEXURE C .....</b>	<b>138</b>

## SECTION I – GENERAL

### DEFINITIONS AND ABBREVIATIONS

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

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

#### General Terms

Term	Description
Company / Issuer	Piramal Enterprises Limited, a public limited company incorporated under the provisions of the Indian Companies Act, 1913, having its Registered Office and Corporate Office at Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070, Maharashtra, India
We / us / our	Unless the context otherwise indicates or implies, refers to our Company and its Subsidiaries

#### Company related terms

Term	Description
Administrative Committee	Administrative committee of the Board of Directors, constituted in accordance with applicable laws and as reconstituted from time to time by Board of Directors of the Company
Articles / Articles of Association / AoA	Articles of association of our Company
Asset Liability Committee	Asset liability committee of the Board of Directors, constituted in accordance with applicable laws and as reconstituted from time to time by the Board of Directors
Audit Committee	Audit committee of Board of Directors, constituted in accordance with applicable laws and as reconstituted time to time by Board of Directors
Audited Standalone Financial Statements FY 2021	The audited standalone balance sheet as at March 31, 2021, the audited standalone statement of profit and loss (including other comprehensive income), the audited standalone statement of changes in equity and the audited standalone cash flow statement, each for the year ended March 31, 2021, along with the respective notes to the Audited Standalone Financial Statements FY 2021, which have been prepared in the format provided in Division II of Schedule III of the Companies Act, 2013  The Audited Standalone Financial Statements FY 2021 have been approved by the Board of Directors at their meeting held on June 1, 2021
Audited Consolidated Financial Statements FY 2021	The audited consolidated balance sheet as at March 31, 2021, the audited consolidated statement of profit and loss (including other comprehensive income), the audited consolidated statement of changes in equity and the audited consolidated cash flow statement, each for the year ended March 31, 2021, along with the respective Notes to the Audited Consolidated Financial Statements FY 2021, which have been prepared in the format provided in Division II of Schedule III of the Companies Act, 2013  The Audited Consolidated Financial Statements FY 2021 have been approved by the Board of Directors at their meeting held on June 1, 2021
Audited Financial Statements FY 2021	Collectively, the Audited Standalone Financial Statements FY 2021 and the Audited Consolidated Financial Statements FY 2021
Audited Standalone Financial Statements FY 2022	The audited standalone balance sheet as at March 31, 2022, the audited standalone statement of profit and loss (including other comprehensive income), the audited standalone statement of changes in equity and the audited standalone cash flow statement, each for the year ended March 31, 2022, along with the respective Notes to the Audited Standalone Financial Statements FY 2022, which have been prepared in the format provided in Division II of Schedule III of the Companies Act, 2013  The Audited Standalone Financial Statements FY 2022 have been approved by the Board of Directors at their meeting held on May 26, 2022

<b>Term</b>	<b>Description</b>
Audited Consolidated Financial Statements FY 2022	The audited consolidated balance sheet as at March 31, 2022, the audited consolidated statement of profit and loss (including other comprehensive income), the audited consolidated statement of changes in equity and the audited consolidated cash flow statement, each for the year ended March 31, 2022, along with the respective Notes to the Audited Consolidated Financial Statements FY 2022, which have been prepared in the format provided in Division II of Schedule III of the Companies Act, 2013. The Audited Consolidated Financial Statements FY 2022 have been approved by the Board of Directors at their meeting held on May 26, 2022
Audited Financial Statements FY 2022	Collectively, the Audited Standalone Financial Statements FY 2022 and the Audited Consolidated Financial Statements FY 2022
Audited Standalone Financial Statements FY 2023	The audited standalone balance sheet as at March 31, 2023, the audited standalone statement of profit and loss (including other comprehensive income), the audited standalone statement of changes in equity and the audited standalone cash flow statement, each for the year ended March 31, 2023, which includes the restated comparative financial information as at and for the year ended March 31, 2022, along with the respective Notes to the Audited Standalone Financial Statements FY 2023, which have been (i) restated to give impact of the Scheme, (ii) reclassified for the purpose of comparison with the audited standalone financial statements for the year ended March 31, 2023, and (iii) prepared in the format provided in Division III of Schedule III of the Companies Act, 2013  The Audited Standalone Financial Statements FY 2023 have been approved by the Board of Directors at their meeting held on May 5, 2023
Audited Consolidated Financial Statements FY 2023	The audited consolidated balance sheet as at March 31, 2023, the audited consolidated statement of profit and loss (including other comprehensive income), the audited consolidated statement of changes in equity and the audited consolidated cash flow statement, each for the year ended March 31, 2023, which includes the restated comparative financial statements as at and for the year ended March 31, 2022, along with the respective Notes to the Audited Consolidated Financial Statements FY 2023, which have been (i) restated to give impact of the Scheme, (ii) reclassified for the purpose of comparison with the audited consolidated financial statements for the year ended March 31, 2023, and (iii) prepared in the format provided in Division III of Schedule III of the Companies Act, 2013  The Audited Consolidated Financial Statements FY 2023 have been approved by the Board of Directors at their meeting held on May 5, 2023
Audited Financial Statements FY 2023	Collectively, the Audited Standalone Financial Statements FY 2023 and the Audited Consolidated Financial Statements FY 2023
Audited Standalone Financial Statements	Collectively, the Audited Standalone Financial Statements FY 2021, Audited Standalone Financial Statements FY 2022 and the Audited Standalone Financial Statements FY 2023
Audited Consolidated Financial Statements	Collectively, the Audited Consolidated Financial Statements FY 2021, Audited Consolidated Financial Statements FY 2022 and the Audited Consolidated Financial Statements FY 2023
Audited Financial Statements	Collectively, the Audited Standalone Financial Statements and the Audited Consolidated Financial Statements
Board / Board of Directors	Board of directors of our Company and includes any committee constituted thereof
Chairman	The Chairman of our Board of Directors
Corporate Office	Corporate office of our Company located at Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070, Maharashtra, India
Corporate Social Responsibility Committee	Corporate social responsibility committee of the Board of Directors constituted in accordance with applicable laws and as reconstituted from time to time by the Board of Directors
Committee	A committee constituted by the Board, from time to time
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company
Director(s)	Director(s) of our Company
Equity Shares	Equity shares of face value ₹ 2 each of our Company
ESOP Scheme	The Employee Stock Ownership Plan-2015
Group Companies*#	Such companies as identified as our group companies in terms of Regulation 2(1)(r) of SEBI NCS Regulations, for the Issue, namely Piramal Glass Limited, Piramal Critical Care Inc., Piramal Pharma Limited, Allergan India Private Limited, Piramal Healthcare UK, Piramal Healthcare (Canada) Limited, Piramal Critical Care BV, Piramal Dutch Holdings N.V., PEL Pharma Inc., AASAN Corporate Solutions Private Limited, India Resurgence Asset Management Business Private Limited, PRL Developers Private Limited, Ansa Decoglass Private Limited, Glider Buildcon Realtors Private Limited, Piramal Pharma Solutions, Piramal Healthcare LLC, Piramal Estates Private Limited, Piramal Critical Care UK Limited, Piramal

Term	Description
	<p>Foundation, Piramal Foundation for Education Leadership, Piramal Trusteeship Services Limited, Shriram GI Holdings Private Limited, India Resurgence ARC Private Limited, Piramal Critical Care Deutschland GmbH, Shriram LI Holdings Private Limited, Social Worth Technologies Private Limited, Pramerica Life Insurance Limited, Kaivalya Education Foundation, Piramal Glass USA Inc., PGP Glass Private Limited and Piramal Corporate Services Private Limited.</p> <p><i>#Piramal Pharma Limited, Piramal Critical Care Inc., Allergan India Private Limited, Piramal Healthcare UK, Piramal Healthcare, Canada, Piramal Critical Care Deutschland GmbH, Piramal Critical Care Limited, Piramal Critical Care BV., Piramal Dutch Holdings N.V., PEL Pharma Inc., Piramal Pharma Solutions, Piramal Healthcare LLC and Piramal Critical Care UK Limited have been identified as related parties as per applicable RBI guidelines</i></p> <p><i>*One of the entities, Shrelekh Business Consultancy, had related party transactions with our Company during the last three years and consequently, would form part of group companies as per the definition under Regulation 2(1)(r) of the SEBI NCS Regulations. However, the entity has merged with Shriram Capital Limited on November 9, 2022, and has therefore, ceased to be a group company of our Company</i></p>
Independent Directors(s)	Independent director(s) of our Company, as disclosed under “Our Management”, beginning on page 162 of the Shelf Prospectus
Key Managerial Personnel(s) / KMP(s)	Key managerial personnel(s) of our Company as disclosed under “Our Management”, beginning on page 162 of the Shelf Prospectus and appointed in accordance with provisions of the Companies Act, 2013
Information Technology Strategy Committee	Information technology strategy committee of the Board of Directors, constituted in accordance with applicable laws and as reconstituted from time to time by the Board of Directors
Memorandum of Association/ MoA	Memorandum of association of our Company
Nomination and Remuneration Committee/ NRC	Nomination and remuneration committee of the Board of Directors, constituted in accordance with applicable laws and as reconstituted from time to time by the Board of Directors
Non-Executive Director(s)	Non-executive director(s) of our Company, as disclosed under “Our Management”, beginning on page 162 of the Shelf Prospectus
Promoter	Ajay G. Piramal
Promoter Group	Includes such persons and entities constituting the promoter group of our Company pursuant to Regulation 2 (1) (pp) of the SEBI ICDR Regulations, 2018, as amended
Registered Office	Registered office of our Company located at Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai – 400 070, Maharashtra, India
Registrar of Companies / RoC	Registrar of Companies, Maharashtra at Mumbai
Scheme	Composite scheme of arrangement between our Company, Piramal Pharma Limited (“PPL”), Convergence Chemicals Private Limited (“CCPL”), Hemmo Pharmaceuticals Private Limited (“HPPL”) and PHL Fininvest Private Limited (“PFPL”) and their respective shareholders and creditors, for (i) transfer by way of demerger of all businesses, undertakings, activities, operations and properties of our Company, of whatsoever nature and kind and wheresoever situated, exclusively related to or pertaining to the conduct of, or the activities of, the pharmaceutical business of our Company; (ii) amalgamation of CCPL and HPPL, being wholly-owned subsidiaries of PPL, into PPL; and (iii) amalgamation of PFPL, being a wholly-owned subsidiary our Company, into our Company, pursuant to order of the National Company Law Tribunal, Mumbai, dated August 12, 2022. The appointed date for the Scheme is April 1, 2022 (the “Appointed Date”)
Senior Management	Senior Management of our Company in accordance with Regulation 2 (1)(iia) of the SEBI NCS Regulations
Shareholders	Equity Shareholders of our Company from time to time
Statutory Auditor(s)/ Joint Statutory Auditor(s)/ Auditor(s)/Current Statutory Auditor(s)	M/s. Suresh Surana & Associates LLP and Bagaria & Co. LLP
Subsidiaries	The subsidiaries of our Company, namely, Piramal Capital and Housing Finance Limited (formerly known as Dewan Housing Finance Corporation Limited), Piramal Fund Management Private Limited, Piramal Systems & Technologies Private Limited, Piramal International*, Piramal Technologies SA, DHFL Changing Lives Foundation, Piramal Alternative Private Limited (formerly known as Piramal Asset Management Private Limited), PEL Finhold Private

<b>Term</b>	<b>Description</b>
	Limited, Piramal Dutch IM Holdco B.V. **, Piramal Consumer Products Private Limited, Piramal Securities Limited, Piramal Finance Sales and Services Private Limited, Viridis Infrastructure Investment Managers Private Limited, Piramal Alternatives Trust, Piramal Payment Services Limited, DHFL Advisory & Investments Private Limited, DHFL Investments Limited, DHFL Holdings Limited, INDIAREIT Investment Management Co., Piramal Investment Advisory Services Private Limited, Piramal Investment Opportunities Fund and PRL Agastya Private Limited  *Piramal International has ceased to be a wholly owned subsidiary of the Company, pursuant to a notice of dissolution dated September 21, 2023 by Director of Insolvency Service, Port Louis, Mauritius, through which the voluntary liquidation of Piramal International, a wholly owned subsidiary of the Company has been approved. ** Piramal Dutch IM Holdco B.V. has ceased to be a wholly owned subsidiary of the Company, pursuant to an intimation received from the Chamber of Commerce, the Netherlands dated September 8, 2023, through which the voluntary liquidation of Piramal Dutch IM Holdco B.V. a wholly owned subsidiary of the Company has been approved.
Stakeholders Relationship Committee	Stakeholders relationship committee of the Board of Directors, constituted in accordance with applicable laws and as reconstituted from time to time by the Board of Directors
Sustainability and Risk Management Committee	Sustainability and risk management committee of the Board of Directors, constituted in accordance with applicable laws and as reconstituted from time to time by the Board of Directors
Unaudited Consolidated Financial Results	The unaudited financial results on a consolidated basis of the Company for the quarter ended June 30, 2023 together with notes thereon prepared in accordance with Indian Accounting Standards (Ind AS 34) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Companies Act, 2013, and presented in accordance with the requirements of the SEBI Listing Regulations, which have been approved by the Board of Directors at their meeting held on July 28, 2023 and subjected to limited review by Joint Statutory Auditors
Unaudited Standalone Financial Results	The unaudited financial results on a standalone basis of the Company for the quarter ended June 30, 2023 together with notes thereon prepared in accordance with Indian Accounting Standards (Ind AS 34) specified under the Section 133 of the Companies Act, 2013, Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Companies Act, 2013, and presented in accordance with the requirements of the SEBI Listing Regulations, which have been approved by the Board of Directors at their meeting held on July 28, 2023 and subjected to limited review by Joint Statutory Auditors
Unaudited Financial Results	Collectively, the Unaudited Consolidated Financial Results and the Unaudited Standalone Financial Results

#### Issue related terms

<b>Term</b>	<b>Description</b>
Abridged Prospectus	A memorandum containing the salient features of the Shelf Prospectus and this Tranche I Prospectus as specified by SEBI
Acknowledgement Slip/ Transaction Registration Slip/ TRS	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
AK Capital	A. K. Capital Services Limited
Allot/ Allotment / Allotted	Unless the context otherwise requires, the allotment of the NCDs to the successful Applicants pursuant to this Tranche I Issue
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment
Allottee(s)	A successful Applicant to whom the NCDs will be/ have been allotted, either in full or in part in terms of this Tranche I Issue
Applicable Accounting Standards	Generally accepted accounting principles, standards and practices in India or any other prevailing accounting standard in India as may be applicable for the relevant fiscal period/year and includes the Indian Accounting Standards (IND-AS) and the generally accepted accounting principles in India (Indian GAAP)
Applicant / Investor / ASBA Applicant / ASBA Bidder	Any person who applies for issuance and Allotment of NCDs through ASBA process or through UPI Mechanism pursuant to the terms of the Draft Shelf Prospectus, Shelf Prospectus, this Tranche I Prospectus, and Abridged Prospectus and Application Form for this Tranche I Issue
Application / ASBA Application/ASBA	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account or to block the Application Amount using the UPI

Term	Description
	Mechanism, where the Bid Amount or an Application Amount of up to UPI Application Limit will be blocked upon acceptance of UPI Mandate Request by retail investors which will be considered as the application for Allotment in terms of this Tranche I Prospectus
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for this Tranche I Issue
Application Form / ASBA Form	The form in terms of which the Applicant shall make an offer to subscribe to the NCDs through the ASBA process or through the UPI Mechanism and which will be considered as the Application for Allotment of NCDs and in terms of the Shelf Prospectus and this Tranche I Prospectus
ASBA Account	A bank account maintained by an ASBA Bidder with an SCSB, as specified in the ASBA Form submitted by ASBA Applicants for blocking the Bid Amount mentioned in the ASBA Form, and will include a bank account of a retail individual investor linked with UPI, for retail individual investors submitting application value up to UPI Application Limit
Banker(s) to the Tranche I Issue	Collectively Public Issue Account Bank(s), Refund Bank and Sponsor Bank being ICICI Bank Limited
Base Issue Size/ Base Issue	₹ 200 crore
Basis of Allotment	The basis on which NCDs will be allotted to Applicants under the Tranche I Issue and as described in “ <i>Issue Procedure – Basis of Allotment</i> ” on page 125.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Consortium, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>
BSE	BSE Limited
Category I Investor (Institutional Investors)	<ul style="list-style-type: none"> <li>Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;</li> <li>Provident funds and pension funds each with a minimum corpus of ₹ 25 Crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;</li> <li>Alternative investment funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;</li> <li>Resident venture capital funds registered with SEBI;</li> <li>Insurance companies registered with the IRDAI;</li> <li>State Industrial Development Corporations;</li> <li>Insurance funds set up and managed by the Indian army, navy or the air force of the Union of India;</li> <li>Insurance funds set up and managed by the Department of Posts, Union of India;</li> <li>Systemically Important NBFCs registered with the RBI and having a net-worth of more than ₹ 500 Crore as per the last audited financial statements;</li> <li>National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India; and</li> <li>Mutual funds registered with SEBI;</li> </ul>
Category II Investor (Non-Institutional Investors)	<ul style="list-style-type: none"> <li>Companies within the meaning of Section 2(20) of the Companies Act 2013;</li> <li>Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;</li> <li>Co-operative banks and regional rural banks;</li> <li>Trust including public/private charitable/religious trusts which are authorised to invest in the NCDs;</li> <li>Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;</li> <li>Partnership firms in the name of the partners;;</li> <li>Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);</li> <li>Association of persons; and</li> <li>Any other incorporated and/ or unincorporated body of persons.</li> </ul>
Category III Investor (High net-worth Individual Investors)	Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all options of NCDs in this Tranche I Issue
Category IV Investor (Retail Individual)	Resident Indian Individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all Options / Series of NCDs in this

<b>Term</b>	<b>Description</b>
Investors)	Tranche I Issue and shall include Retail Individual Investors who have submitted bid for an amount not more than UPI Application Limit (i.e. up to ₹5,00,000 for issues of debt securities) in any of the bidding options in the Tranche I Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism.
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Collecting Depository Participants / CDPs	A depository participant, as defined under the Depositories Act, 1996 and registered with the SEBI Act and who is eligible to procure Applications in this Tranche I Issue, at the Designated CDP Locations in terms of the SEBI Master Circular
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations
Consortium Agreement	Consortium Agreement dated October 16, 2023 entered amongst the Company, Lead Managers and Consortium Members
Consortium Members	A. K. Stockmart Private Limited, Nuvama Wealth And Investment Limited ( <i>formerly known as Edelweiss Broking Limited</i> ), JM Financial Services Limited, Trust Financial Consultancy Services Private Limited and Trust Securities Services Private Limited
Consortium / Members of the Consortium / Members of Syndicate (each individually, a Member of the Consortium)	The Lead Managers and the Consortium Members
Coupon/ Interest Rate	Please see “ <i>Terms of the Issue - Interest/ Coupon on NCDs</i> ” on page 93
Credit Rating Agency(ies)	ICRA Limited and CARE Ratings Limited
Current Assets	The aggregate of the Company’s cash, inventories, trade and other receivables realizable within one year, and prepaid expenses which are to be charged to income within one year, revenues, raw materials, consumable stores and spares and other current assets including trade and other receivables including receivables by way of cash assistance and/or cash incentives or any claims by way of refund of customs/excise duties, book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising and uncalled capital and stock in trade, whether installed or not and whether lying loose or in cases or which are lying or are stored in or to be stored in or to be brought into or upon the Company’s premises, warehouses, stockyards and godowns or the premises, warehouses, stockyards and godowns of the Company’s agents, affiliates, associates or representatives or at various work sites or at any place or places wherever else situated or wherever else the same may be and shall include any other assets classified as ‘current asset’ in its financial statements, which description shall include all properties of the above description whether presently in existence, constructed or acquired hereafter.
Debenture Holder(s) / NCD Holder(s)	The holders of NCDs as also beneficial owners of NCDs where the NCDs are issued in electronic (dematerialised) form pursuant to the Issue, and whose names appear in the register of debenture holders(s) or the list of beneficial owner(s)/register of beneficial owners(s) prepared, held and given by the Depository, from time to time and Debenture Holder means each such person, and includes their respective successors/ transferees and assigns.
Debenture Trust Deed	The trust deed to be entered into between the Debenture Trustee and our Company which shall be executed in relation to the NCDs within the time limit prescribed by applicable statutory and/or regulatory requirements. The contents of the Debenture Trust Deed shall include the provisions prescribed by SEBI or any other applicable statutory/regulatory body
Debenture Trustee Agreement	Agreement dated August 28, 2023 entered into between our Company and the Debenture Trustee
Debenture Trustee / Trustee	Trustee for the NCD holders in this case being IDBI Trusteeship Services Limited
Deed of Hypothecation	Unattested deed of hypothecation to be executed by the Company in favour of the Debenture Trustee for creating a first ranking and pari passu charge on the Hypothecated Property by way of hypothecation with regard to the NCDs
Deemed Date of Allotment	The date on which the Administrative Committee approves the Allotment of the NCDs for this Tranche I Issue or such date as may be determined by the Administrative Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the NCD holders from the Deemed Date of Allotment
Demographic Details	The demographic details of an Applicant such as his address, email, bank account details, MICR Code, category, PAN etc.
Depository(ies)	National Securities Depository Limited and /or Central Depository Services (India) Limited
Designated Branches	Such branches of the SCSBs which shall collect the Application Forms used by the ASBA



Term	Description
	Applicants and a list of which is available at <a href="http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html">http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html</a> or <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=34</a> or at such other weblink as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the ASBA Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>
Designated Date	The date on which the funds blocked by the SCSBs on receipt of instructions from the RTA are transferred from the ASBA Accounts to the Public Issue Account and/or the Refund Account, as appropriate, after finalisation of the Basis of Allotment, in terms of the Shelf Prospectus and this Tranche I Prospectus following which the NCDs will be Allotted in the Tranche I Issue
Designated Intermediaries	Includes, the Members of the Consortium, Sub-Consortium/agents, Trading Members, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Application Forms from the Applicants, in relation to the Issue  In relation to ASBA applicants authorising an SCSB to block the amount in the ASBA Account, Designated Intermediaries shall mean SCSBs  In relation to ASBA applications submitted by Retail Individual Investors where the amount will be blocked upon acceptance of UPI Mandate Request using the UPI Mechanism, Designated Intermediaries shall mean the CDPs, RTAs, Lead Managers, Members of the Consortium, Trading Members and Stock Exchange where applications have been submitted through the app/web interface as provided in the SEBI Master Circular
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs eligible to accept ASBA Forms and Application Forms submitted using the UPI Mechanism as a payment option (for a maximum amount of UPI Application Limit) are available on the respective websites of the Stock Exchanges at <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> and updated from time to time
Designated Stock Exchange	The designated stock exchange for the Issue, being BSE Limited
Direct Online Application Mechanism	An online interface enabling direct applications through UPI by an app based/web interface, by Applicants to the Issue with an online payment facility
DP / Depository Participant	A depository participant as defined under the Depositories Act
Draft Shelf Prospectus	The draft shelf prospectus dated August 28, 2023 filed with the Stock Exchanges for receiving public comments and with SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations
Excluded Assets	(i) the Receivables over which the Company has already created a first ranking exclusive charge to secure its other borrowings or the borrowings of any of its Affiliates, group entity or of any other Persons and such first ranking and exclusive charge subsists on the date of the Deed of Hypothecation; (ii) the Receivables over which the Company may create first ranking exclusive charge in favour of any Person including but not limited to National Bank for Agriculture and Rural Development, Small Industries Development Bank of India or any appropriate governmental authority or any non-governmental authority / Person, in future, to secure its other borrowings or the borrowings of any of its Affiliates, group entity or of any other Persons, in accordance with the provisions of the Transaction Documents; (iii) all the investments in the nature of equity investments or convertible instruments made or held by the Company; (iv) all the Current Assets and/or the Financial Assets over which the Company has created or may create a first ranking exclusive charge or a lien to secure its other borrowings or the borrowings of any of its Affiliates, group entity or of any other Persons; and (v) the Receivables arising out of investments made, or loan extended by the Company to its Subsidiaries or Affiliates
Final Settlement Date	The date on which the Secured Obligations have been irrevocably and unconditionally discharged in full and all of the NCDs have been redeemed by the Company in full to the satisfaction of the NCD Holders
Financial Assets	The assets of the Company identified as 'financial assets' in the financial statements of the Company, prepared in accordance with the Applicable Accounting Standards
Hypothecated Property	The Movable Assets of the Company and all rights, title, interest, benefits, claims and demands whatsoever of the Company in, to or in respect of such Movable Assets.
Issue	Public issue by our Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, for an amount aggregating up to the ₹ 3,000 crores ("Shelf Limit") (hereinafter referred to as the "Issue"), pursuant to the Shelf Prospectus and relevant Tranche

<b>Term</b>	<b>Description</b>
	Prospectus. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant Tranche Prospectus for any tranche issue (each a “Tranche Issue”) which should be read with the Shelf Prospectus. The Issue is being made pursuant to the provisions of SEBI NCS Regulations, the Companies Act, 2013 and rules made thereunder as amended to the extent notified and the SEBI Master Circular
Issue Agreement	Agreement dated August 28, 2023 entered into by our Company and the Lead Managers
Issue Documents/Offer Documents	The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus read with any notices, corrigenda, addenda thereto, the Abridged Prospectus, the Application Form and supplemental information, if any.
JM Financial	JM Financial Limited
Lead Managers	A. K. Capital Services Limited, JM Financial Limited, Nuvama Wealth Management Limited ( <i>formerly known as Edelweiss Securities Limited</i> ) and Trust Investment Advisors Private Limited
Listing Agreement	The uniform listing agreement entered into between our Company and the Stock Exchanges in connection with the listing of debt securities of our Company
Market Lot	One (1) NCD
Material Line of Business	The business of non-banking financial services and/or housing finance services undertaken by the Company and/or PCHFL
Majority Debenture Holders	Shall have the meaning provided in the Debenture Trust Deed
Majority Resolution	Shall have the meaning provided in the Debenture Trust Deed
Maturity Date / Redemption Date	Please see the section titled “Terms of the Issue” on page 83.
Movable Assets	All standard Receivables of the Company (both present and future), including without limitation; <ul style="list-style-type: none"> <li>(i) Receivables arising out of lending, loans and advances, investments (including non-convertible debenture), inter-corporate deposits;</li> <li>(ii) Current Assets; and</li> <li>(iii) Financial Assets;</li> </ul> over which Security Interest is required to be created in favour of Debenture Trustee, for the benefit of Debenture Holders for the repayment of the Secured Obligations, save and except the Excluded Assets. It is hereby clarified the Excluded Assets shall at no point in time form a part of Movable Assets.
NCDs / Debentures	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, offered through the Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche Prospectus
Nuvama	Nuvama Wealth Management Limited ( <i>formerly known as Edelweiss Securities Limited</i> )
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue
Option(s) / Series	Collectively the Series/Options of NCDs being offered to the Applicants through this Tranche I Prospectus. For further details, see “ <i>Issue Related Information</i> ” beginning on page 77 of this Tranche I Prospectus
Public Issue Account	A bank account to be opened with the Banker(s) to the Tranche I Issue to receive monies from the ASBA Accounts maintained with the SCSBs (including under the UPI mechanism) on the Designated Date
Public Issue Account, and Sponsor Bank Agreement	Agreement dated October 16, 2023 entered into amongst our Company, the Registrar to the Issue, the Public Issue Account Bank, the Refund Bank and Sponsor Bank, and the Lead Managers for the appointment of the Sponsor Bank in accordance with the SEBI Master Circular for collection of the Application Amounts from ASBA Accounts under the UPI mechanism from the Applicants on the terms and conditions thereof and where applicable, refunds from the amounts collected from the Applicants on the terms and conditions thereof.
Public Issue Account Bank	ICICI Bank Limited

<b>Term</b>	<b>Description</b>
Receivables	All principal amounts and interest (including coupon, premium and/or any default / penal interest) owing to or receivable by our Company including all the accrued book debts, both present and future, other than those amounts whose repayment is overdue (i) by more than 90 (Ninety) days; or (ii) such number of days required to categorize the asset as a non-performing asset under RBI guidelines for non-banking financial companies, whichever is lower, whether such monies receivable are retained in any of the accounts of our Company or otherwise, in respect of loans and advances/ investments in certain securities/ inter-corporate deposits subscribed to / given / placed by our Company, and as more particularly identified by our Company to the Debenture Trustee from time to time in the certificate provided / to be provided in terms of the Deed of Hypothecation
Record Date	15 (fifteen) days prior to the interest payment date, and/or Redemption Date for NCDs issued under the Tranche I Prospectus  In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date
Recovery Expense Fund	A fund created by our Company as specified in the SEBI Master Circular for Debenture Trustees
Redemption Amount	Please see section titled 'Terms of the Issue' on page 83.
Redemption Date	Please see section titled 'Terms of the Issue' on page 83.
Refund Account(s)	The account(s) to be opened by our Company with the Refund Bank, from which refunds of the whole or part of the Application Amounts (excluding for the successful ASBA Applicants), if any, shall be made.
Refund Bank	ICICI Bank Limited
Register of NCD holders/ Debenture holders	A register of NCD holders/ debenture holders maintained by our Company in accordance with the provisions of the Companies Act, 2013
Registrar Agreement	Agreement dated August 28, 2023 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registered Brokers/ Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 as amended from time to time, and the stock exchanges having nationwide terminals, other than the Consortium and eligible to procure Applications from Applicants
Registrar to the Issue/ Registrar	Link Intime India Private Limited
Registrar and Share Transfer Agents/RTA	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, in the Issue.
Required Security Cover	A Security Cover Ratio of 1 (one) time or such higher ratio as may be agreed between the Company and the Debenture Trustee, as applicable, to be maintained by the Company at all times until the Final Settlement Date. It is also hereby clarified that the Required Security Cover shall at all times cover the outstanding nominal / face value of the Debentures, interest, default interest (wherever applicable), payment of the redemption premium, fees, costs, charges, expenses or otherwise, reimbursement thereon, payable in respect of the Debentures.
RTA Master Circular	Securities and Exchange Board of India Master Circular for Registrars to an Issue and Share Transfer Agents' dated May 17, 2023, bearing reference number SEBI/HO/MIRSD/POD-1/P/CIR/2023/70
SCSBs / Self Certified Syndicate Banks	The banks registered with SEBI, offering services in relation to ASBA and UPI, a list of which is available on the website of SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> for ASBA and <a href="https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40">https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&amp;intmId=40</a> for UPI, updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Security	The Security Interests required to be created over the Hypothecated Property on a first ranking <i>pari passu</i> basis, and shall include the additional security (if any), to secure the NCDs with the Required Security Cover, as set out in the Transaction Documents
Security Cover Ratio	The ratio of the value of the Hypothecated Property to the outstanding amounts under any of the Financial Indebtedness whether of the Company or any other Person for which any charge, security or encumbrance has been created over the Hypothecated Property, including the outstanding Secured Obligations
Security Documents	The Deed of Hypothecation, powers of attorney and all such documents as may be required for creating and perfecting the Security Interest as may be required to be created in terms of the Transaction Documents, in favour of the Debenture Trustee for the benefit of the NCD Holders

Term	Description
	and for enforcement of such Security
Security Enforcement Event	Shall have the meaning provided in the Debenture Trust Deed
Security Interest(s)	Mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect
Secured Obligations	All obligations at any time due, owing or incurred by the Company to the Debenture Trustee or the NCD Holders, as the case may be, in respect of the NCDs and shall include (a) the obligation to redeem the NCDs in terms thereof including payment of coupon / interest, default interest, penal interest, any outstanding remuneration of the Debenture Trustee and all fees, costs, charges and expenses payable to the Debenture Trustee or the Debenture Holders and other monies payable by the Company in respect of the NCDs under the Transaction Documents; (b) any and all sums advanced by the Debenture Trustee in order to preserve the Security created / to be created in relation to the NCDs; (c) in the event of any proceedings for the collection and/or enforcement of the obligations of the Company in respect of the NCDs, after an event of default shall have been initiated, the expenses of retaking, holding, preparing for sale, selling or otherwise disposing of or realizing the Security or any part thereof or of any exercise of the Debenture Trustee of its rights under the relevant Transaction Documents, together with legal fees and court costs in relation thereto
Shelf Limit	The aggregate limit of the Issue, being ₹ 3,000 crores to be issued under the Shelf Prospectus and Tranche Prospectus(es) through one or more Tranche Issues
Shelf Prospectus	The Shelf Prospectus dated October 16, 2023 filed by our Company with the RoC, BSE, NSE and the SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI NCS Regulations. The Shelf Prospectus shall be valid for a period as prescribed under section 31 of the Companies Act, 2013
Stock Exchanges	BSE Limited and National Stock Exchange of India Limited
Special Majority	Shall have the meaning provided in the Debenture Trust Deed
Special Resolution (NCDs)	Shall have the meaning provided in the Debenture Trust Deed
Specified Locations	Centres where the Members of the Consortium shall accept ASBA Forms from Applicants a list of which is available on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
Sponsor Bank	A Banker to this Tranche I Issue, registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the UPI Mandate Requests and / or payment instructions of the retail individual investors into the UPI for retail individual investors applying through the app/web interface of the Stock Exchange(s) with a facility to block funds through UPI Mechanism for application value up to UPI Application Limit and carry out any other responsibilities in terms of the SEBI Master Circular being ICICI Bank Limited
Syndicate ASBA	ASBA Applications through the Designated Intermediaries
Syndicate ASBA Application Locations	Bidding centres where the Designated Intermediaries shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Centres named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Tenor	Please see the section titled “Terms of the Issue” on page 83.
Trading Members	Intermediaries registered with a Broker under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by the Stock Exchanges
Tranche I Issue	Public issue by the Company of 10,000,000 secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each (“NCDs” or “Debentures”) for an amount of ₹ 200 crore (“Base Issue Size”) with an option of oversubscription up to an amount of ₹ 800 crore amounting to ₹ 1,000 crore (“Tranche I Issue”) which is within the shelf limit of ₹3,000 crore and is being offered by way of this Tranche I Prospectus containing inter alia the terms and conditions of Tranche I issue, which should be read together with the Shelf Prospectus. The Tranche I Issue is being made pursuant to the provisions of SEBI NCS Regulations, the Companies Act, 2013 and rules made thereunder as amended to the extent notified and the SEBI Master Circular
Tranche I Issue Opening	Thursday, October 19, 2023

<b>Term</b>	<b>Description</b>
Date	
Tranche I Issue Closing Date	Thursday, November 2, 2023
Tranche I Issue Period	The period between the Tranche I Issue Opening Date and the Tranche I Issue Closing Date inclusive of both days, during which prospective Applicants can submit their Application Forms.
Tranche I Prospectus	This Tranche I Prospectus dated October 16, 2023 containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts and documents for inspection etc., in respect of Tranche I Issue.
Transaction Registration Slip or TRS or Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of Registration of the Application Form.
Transaction Documents	Transaction documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus read with any notices, corrigenda, addenda thereto, Abridged Prospectus, the Issue Agreement, Registrar Agreement, Consortium Agreement, Debenture Trustee Agreement, Public Issue Account and Sponsor Bank Agreement, Tripartite Agreements, Application Form, and the Debenture Trust Deed and Security Documents executed or to be executed by our Company, as the case may be and any other document that may be designated as a Transaction Document by the Debenture Trustee. For further details see, “Material Contracts and Documents for Inspection” on page 133.
Tripartite Agreements	Tripartite Agreement dated February 19, 2010 entered into between our Company, Registrar to the Issue and NSDL; and Tripartite Agreement dated February 15, 2010 entered into between our Company, Registrar to the Issue and CDSL
Trust Investment	Trust Investment Advisors Private Limited
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India
UPI Application Limit	Maximum limit to utilize the UPI mechanism to block the funds for application value upto ₹500,000, for issues of debt securities pursuant to SEBI Master Circular or any other investment limit as applicable and prescribed by SEBI from time to time
UPI Mandate Request or Mandate Request	A request initiated by the Sponsor Bank on the retail individual investor to authorize blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount (not exceeding UPI Application Limit) and subsequent debit of funds in case of allotment
UPI Mechanism / UPI	Unified Payments Interface mechanism in accordance with SEBI Master Circular as amended from time to time, to block funds for application value up to UPI Application Limit submitted through intermediaries
Wilful Defaulter	Wilful defaulter shall have the same meaning as under regulation (2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended.
Working Day(s)/ Business Day(s)	Working day means all days on which commercial banks in Mumbai are open for business. In respect of announcement or bid/Issue Period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of the time period between the bid/ Issue Closing Date and the listing of the NCDs on the Stock Exchanges, working day shall mean all trading days of the Stock Exchanges for NCD, excluding Saturdays, Sundays and bank holidays, as specified by SEBI

#### **Business/Technical/Industry Related Terms/Abbreviations**

<b>Term</b>	<b>Description</b>
AI	Artificial Intelligence
ALCO	Asset Liability Management Committee
ALM	Asset-Liability Management
AML	Anti Money Laundering
API	Active Pharmaceutical Ingredients
AUM	Assets under Management
Automated Engine	Automated proprietary fraud analytical rule engine
CARE	CARE Ratings Limited
CMML	Corporate and Mid-Market Lending
CRAR	Capital to Risk Assets Ratio
CRM	Customer Relationship Management
CRMC	Credit Risk Management Committee

Term	Description
CSR	Corporate Social Responsibility
DCC	Deal Clearance Committee
DHFL	Dewan Housing Finance Corporation Limited
ECC	Executive Credit Committee
ESG	Environmental, Social and Governance
FRMC	Fraud Risk Management Committee
GNPA	Gross Non-Performing Asset
HFC	Housing Finance Company
ICRA	ICRA Limited
JLG	Joint Liability Group
KYC	Know Your Customer
LAP	Loans Against Property
LRD	Lease Rent Discounting
LTV	Loan-to value ratio
MSME	Micro, Small and Medium Enterprises
NBFC	Non-Banking Financial Company
NBFC-ML	Non-Banking Financial Company – Middle Layer
NBFC-UL	Non-Banking Financial Company – Upper Layer
NCLT	National Company Law Tribunal
NHB	National Housing Bank
NPA	Non-Performing Asset
OEM	Original Equipment Manufacturer
ORMC	Operational Risk Management Committee
PCHFL	Piramal Capital and Housing Finance Limited (formerly known as Dewan Housing Finance Corporation Limited)
PCSPL	Piramal Corporate Services Private Limited
PHFL	Piramal Housing Finance Private Limited
PEL	Piramal Enterprises Limited
PLU	Piramal Learning University
PPL	Piramal Pharma Limited
RTO	Road Transport Authority
SDF	Small Developer Finance
SME	Small and Medium-sized Enterprises
SRE	Standard on Review Engagements
SRMC	Sustainability and Risk Management Committee

### Conventional and general terms

Term	Description
₹/ Rs. / INR/ Rupees	The lawful currency of the Republic of India
AGM	Annual general meeting
AS or Accounting Standards	Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended from time to time
AIF	An alternative investment fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012 as amended from time to time
AY	Assessment year
BSE	BSE Limited
CAGR	Compounded annual growth rate
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
Companies Act	The Companies Act, 1956, or the Companies Act, 2013, as applicable
Companies Act, 2013	Companies Act, 2013, and rules made thereunder
Consumer Protection Act	Consumer Protection Act, 1986, as amended
CRISIL Report	Report titled “ <i>CRISIL Market Intelligence &amp; Analytics (CRISIL MI&amp;A) – NBFC Report released in Mumbai in September, 2023</i> ” prepared and issued by CRISIL Limited
CrPC	Code of Criminal Procedure, 1973, as amended
COVID-19	Pandemic caused due to the worldwide spread of the novel coronavirus disease
COO	Chief Operating Officer
CSR	Corporate social responsibility

<b>Term</b>	<b>Description</b>
Depositories Act	The Depositories Act, 1996, as amended
DRR	Debenture redemption reserve
EGM	Extraordinary general meeting
EPS	Earnings per share
FEMA	Foreign Exchange Management Act, 1999, as amended
Fiscal / Financial Year / FY	Financial year ending March 31
GDP	Gross domestic product
GoI	Government of India
HUF	Hindu undivided family
IBC	Insolvency and Bankruptcy Code, 2016, as amended
IFRS	International financial reporting standards
IFSC	Indian financial system code
Ind AS	Indian Accounting standards as prescribed by Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended from time to time
Indian GAAP	Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Accounting Standards) Rules, 2014, as amended from time to time
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International securities identification number
IST	Indian standard time
IT Act	Income Tax Act, 1961, as amended
ITAT	Income Tax Appellate Tribunal
JV	Joint Venture
MCA	Ministry of Corporate Affairs, Government of India
MICR	Magnetic ink character recognition
NACH	National automated clearing house
NBFC-ND-SI Directions	Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016
NEFT	National electronic funds transfer
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
PAT	Profit after tax
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
RTAs	Registrar and share transfer agents
RTGS	Real time gross settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002, as amended
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustees) Regulations, 1993, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI LODR Regulations/ SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Master Circular	Circular no. SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 issued by SEBI, as amended
SEBI Master Circular for Debenture Trustees	Circular no. SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 issued by SEBI, as amended
SEBI NCS Regulations/ Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended
TDS	Tax deducted at source

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

### *General*

In this Tranche I Prospectus, unless the context otherwise indicates or implies, references to “you”, “offeree”, “purchaser”, “subscriber”, “recipient”, “investors” and “potential investor” are to the prospective investors in this Tranche I Issue, references to “our Company”, “the Company”, “we”, “us”, “our” or the “Issuer” are to Piramal Enterprises Limited.

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

In this Tranche I Prospectus, references to “Rupees”, “₹”, “Rs.”, “INR” are to the legal currency of India and references to “USD”, “US\$” are to the legal currency of the United States. All references herein to the “U.S.” or the “United States” are to the United States of America and its territories and possessions and all references to “India” are to the Republic of India and its territories and possessions, and the “Government”, the “Central Government” or the “State Government” are to the Government of India, central or state, as applicable.

Certain figures contained in this Tranche I Prospectus, including financial information, have been subject to rounding adjustments. Unless set out otherwise, all figures in decimals, including percentage figures, have been rounded off to two decimal points. In certain instances, (i) the sum or percentage change of such numbers may not conform exactly to the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly to the total figure given for that column or row. Further, any figures sourced from third party industry sources may be rounded off to other than two decimal points to conform to their respective sources. India has decided to adopt the “Convergence of its existing standards with IFRS with some difference” referred to as the “Indian Accounting Standards” or “Ind AS”. The standalone financial statements and consolidated financial statements are prepared as per the Indian Accounting Standards.

In this Tranche I Prospectus, any discrepancy in any table between total and the sum of the amounts listed are due to rounding off. Except otherwise specified, our Company has presented numerical information in this Tranche I Prospectus in “crores”, “lakhs”, “millions” or “billions”. One crore represents 10,000,000, one lakh represents 100,000, one million represents 1,000,000 and one billion represents 1,000,000,000.

Unless stated otherwise all references to time in this Tranche I Prospectus are to Indian standard time.

### *Presentation of Financial Statements*

The financial year of our Company commences on April 1 and ends on March 31 of the next year, so all references to particular “financial year”, “fiscal year” and “fiscal” or “FY”, unless stated otherwise, are to the 12 months period ended on March 31 of that year. Unless the context requires otherwise, all references to a year in this Tranche I Prospectus are to a calendar year ended on December 31 and references to a Fiscal/Fiscal Year are to the year ended on March 31 of that calendar year.

The Audited Financial Statements disclosed in the Shelf Prospectus consists of Audited Standalone Financial Statements and Audited Consolidated Financial Statements. The basis of presentation of the Audited Financial Information is as follows:

#### (i) *The Audited Financial Statements FY 2021*

The Audited Financial Statements FY 2021 consists of the audited standalone financial statements and audited consolidated financial statements of our Company, each as at and for the year ended March 31, 2021, which have been prepared in accordance with the Indian Accounting Standards (“**Ind AS**”), as specified under Section 133 of the Companies Act, 2013, the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other applicable provisions of the Companies Act, 2013, and in the format provided in Division II of Schedule III of the Companies Act, 2013. The audited standalone financial statements and the audited consolidated financial statements, each as at and for the year ended March 31, 2021, have been audited by M/s. Deloitte Haskins & Sells LLP (the “**Previous Auditors**”).

#### (ii) *The Audited Financial Statements FY 2022*

The Audited Financial Statements FY 2022 consists of the audited standalone financial statements and audited consolidated financial statements of our Company as at and for the year ended March 31, 2022, which have been prepared in accordance with the Ind AS, as specified under Section 133 of the Companies Act, 2013, the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other applicable provisions of the Companies Act, 2013, and in the format provided in Division II of Schedule III of the Companies Act, 2013. The audited standalone financial statements and the audited consolidated financial statements, each as at and for the year ended March 31, 2022, have been audited by the Previous Auditors.



(iii) ***The Audited Financial Statements FY 2023***

The Audited Financial Statements FY 2023 consists of the audited standalone financial statements and audited consolidated financial statements of our Company, each as at and for the year ended March 31, 2023 (which includes the restated comparative financial statements as at and for the year ended March 31, 2022), which have been (i) restated to give impact of the Scheme, (ii) reclassified for the purpose of comparison with the audited standalone financial statements and the audited consolidated financial statements, and (iii) prepared in the format provided in Division III of Schedule III of the Companies Act, 2013, each as at and for the year ended March 31, 2023, and have been prepared in accordance with the Ind AS, as specified under the Section 133 of the Companies Act, 2013, the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other applicable provisions of the Companies Act, 2013. The audited standalone financial statements and the audited consolidated financial statements, each as at and for the year ended March 31, 2023, which includes the restated comparative financial statements as at and for the year ended March 31, 2022, have been audited by our Current Statutory Auditors.

Our Company's Audited Financial Statements are included in the Shelf Prospectus and is referred to hereinafter as the "*Audited Financial Statements*" in "*Annexure A: Financial Statements*" on page 136 of the Shelf Prospectus.

The Unaudited Financial Results of our Company for the quarter ended June 30, 2023 have been prepared in accordance with recognition and measurement principles laid down in the aforesaid Ind AS 34 "*Interim Financial Reporting*" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued there-under and have been reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on July 28, 2023 and subjected to limited review by Joint Statutory Auditors, pursuant to Regulation 33 and Regulation 52 of the SEBI Listing Regulations. Our Company's unaudited financial results are included in the Shelf Prospectus and are referred to hereinafter as "*Unaudited Financial Results*". For further details see "*Unaudited Financial Results*" in "*Annexure A: Financial Statements*" on page 384 of the Shelf Prospectus.

Further, Unaudited Financial Results for quarter ended June 30, 2023 is not indicative of full year results and are not comparable with annual financial statements.

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

***Presentation of Key Performance and Financial Indicators***

Our Company obtained a certificate of registration from the RBI, to operate as a NBFC, on July 21, 2022. Prior to the Appointed Date, our Company was a non-financial sector entity, and the financial statements of our Company was audited, prepared and presented accordingly.

The financial statements, as disclosed in the Shelf Prospectus, have been prepared for the financial year ended March 31, 2021 in the format applicable for the non-financial sector entity on a standalone and consolidated basis. The financial statements for the years ended March 31, 2022 (as restated) and March 31, 2023 have been prepared in the format applicable for a financial sector entity on a standalone and consolidated basis. Accordingly, the key operational and financial parameters have been disclosed for our Company in the format applicable for a non-financial sector entity, on a standalone and consolidated basis, for the financial year ended March 31, 2021, and in the format applicable for a financial sector entity, on a standalone and consolidated basis, for the financial years ended March 31, 2022 (as restated) and March 31, 2023. The key operational and financial parameters for the financial year ended March 31, 2021 have been prepared from the Audited Financial Statements FY 2021, and the key operational and financial parameters for the financial year ended March 31, 2022 and March 31, 2023 have been prepared from the Audited Financial Statements FY 2023.

**Currency and Units of Presentation**

All references to:

- "Rupees" or "₹" or "INR" or "Rs." are to Indian Rupee, the official currency of the Republic of India;
- "USD" or "US\$" or "\$" are to United States Dollar, the official currency of the United States of America.

Our Company has presented all numerical information in this Tranche I Prospectus in "crores" units, "lakh" units, "million" units, "billion" units or in whole numbers where the numbers have been too small to represent in lakhs, millions or billions. One crore represents 10,000,000, one lakh represents 100,000, one million represents 1,000,000 and one billion represents 1,000,000,000.

## Exchange Rates

This Tranche I Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI NCS Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Rupee and USD (in Rupees per USD):

Currency	As at				
	September 30, 2023	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
1 USD	83.06	82.04	82.22	75.81	73.50

Source: [www.fbil.org.in](http://www.fbil.org.in)

*In case March 31/ June 30 / September 30 of any of the respective years/ period is a public holiday, the previous working day not being a public holiday has been considered.*

*The above exchange rates are for the purpose of information only and may not represent the rates used by the Company for purpose of preparation or presentation of its financial statements. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all.*

## Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Tranche I Prospectus and the Shelf Prospectus has been obtained from the CRISIL Report and various industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but accuracy, completeness and underlying assumptions of such third-party sources are not guaranteed. Although the industry and market data used in this Tranche I Prospectus is reliable, the data used in these sources may have been re-classified by us for the purposes of presentation however, no material data in connection with the Issue has been omitted. Data from these sources may also not be comparable.

The extent to which the market and industry data used in this Tranche I Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Certain information and statistics in relation to the industry in which we operate, which has been included in this Tranche I Prospectus and the Shelf Prospectus has been extracted from an industry report titled "*CRISIL Market Intelligence & Analytics (CRISIL MI&A) – NBFC Report released in Mumbai in September, 2023*", prepared and issued by CRISIL Limited ("**CRISIL Report**"). Please see "*Industry Overview*" on page 108 of the Shelf Prospectus for further details. Following is the disclaimer of CRISIL Market Intelligence & Analytics in relation to the CRISIL Report.

*"CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Piramal Enterprises Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL's prior written approval."*

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors*", on page 21 of the Shelf Prospectus. Accordingly, investment decisions should not be based solely on such information.

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



## FORWARD-LOOKING STATEMENTS

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

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

1. High levels of customer defaults and the resultant non-performing assets could adversely affect our Company’s business, financial condition, results of operations and future financial performance.
2. Our business is particularly vulnerable to interest rate risk, and volatility in interest rates could have a material adverse effect on our net interest income, net interest margin and our financial performance.
3. Our Company’s business requires substantial capital and any disruption in the sources of its funding or an increase in its average cost of borrowings could have a material adverse effect on its liquidity and financial condition.
4. Our retail lending business involves transactions with certain relatively high-risk borrowers. Any default from our customer could adversely affect our business, results of operations, financial conditions and cash flows.
5. The past performance and growth of our business is not indicative of our future performance and growth. We may undertake acquisitions, strategic investments, restructuring in future. Any failure to complete such strategic decisions may adversely affect our reputation or growth prospects.
6. Our indebtedness and conditions and restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.
7. Our Company, Subsidiaries, Promoter and certain of our Directors are party to certain legal proceedings and any adverse outcome in these or other proceedings may adversely affect our business.
8. Our Company is subject to supervision and regulation by the RBI, as an NBFC-ND-SI, and other regulatory authorities and changes in the RBI’s regulations and other regulations, and the regulation governing our Company or the industry in which our Company operates could adversely affect its business.
9. A failure or inadequacy or security breach in our Company’s information technology and telecommunication systems or its inability to adapt to rapid technological changes may adversely affect its business, results of operation and financial condition.
10. Our Company’s inability to comply with observations made by the RBI or any adverse action by the RBI may have a material adverse effect on its business, financial condition and results of operations.

For further discussion of factors that could cause our actual results to differ, see “*Risk Factors*” on page 21 of the Shelf Prospectus.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the “*Industry Overview*”, “*Our Business*” and “*Outstanding Litigations and Defaults*” on pages 108, 136 and 261, respectively of the Shelf Prospectus.

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

By their nature, certain market risk disclosures are only estimate(s) and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Neither our Company, nor the Lead Managers or its respective Directors, or KMPs or SMPs or officers, nor any of its respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI NCS Regulations, our Company and the Lead Managers will ensure that investors are informed of material developments between the date of filing this Tranche I Prospectus with the RoC and the date of receipt of listing and trading permission from the Stock Exchanges.

## SECTION II – INTRODUCTION

### GENERAL INFORMATION

Our Company was originally incorporated as a public limited company under the name of ‘Indian Schering Limited’ on April 26, 1947 under the provisions of the Indian Companies Act, 1913, pursuant to a certificate of incorporation issued by the Registrar of Companies, Maharashtra at Mumbai (“**RoC**”). Subsequently, the name of our Company was changed pursuant to fresh certificates of incorporation granted by the RoC; to Nicholas Laboratories India Limited with effect from September 27, 1979, to Nicholas Piramal India Limited with effect from December 2, 1992, to Piramal Healthcare Limited with effect from May 13, 2008 and to Piramal Enterprises Limited with effect from July 31, 2012.

Our Company has obtained a certificate of registration dated July 21, 2022, bearing number N-13-02432 issued by the RBI to commence/ carry on the business of non-banking financial institution under Section 45-IA of the RBI Act, 1934.

For further details in relation to the changes in our name, constitution, registration with the RBI and our Company’s main objects, see “*History and Main Objects*” on page 158 of the Shelf Prospectus.

#### **Registered Office and Corporate Office**

Piramal Ananta, Agastya Corporate Park,  
Opposite Fire Brigade, Kamani Junction,  
LBS Marg, Kurla (West), Mumbai 400 070  
Maharashtra, India

**Contact Number:** 022 3802 3000/022 3802 4000

**Facsimile:** 91 22 3802 3884

**Email:** treasury.pchfl@piramal.com; bipin.singh@piramal.com

**Website:** www.piramal.com

For further details regarding changes to our Registered Office, see “*History and Certain Corporate Matters*” on page 158 of the Shelf Prospectus.

#### **Registration**

**CIN:** L24110MH1947PLC005719

**Legal Entity Identifier:** 335800XG9I3HZ2F1KQ73

**RBI Registration number:** N-13-02432

**Permanent Account Number:** AAACN4538P

**Liability of the members of the Company:** Limited by Shares

#### **Chief Financial Officer**

##### **Upma Goel**

Piramal Ananta, Agastya Corporate Park,  
Opposite Fire Brigade, Kamani Junction,  
LBS Marg, Kurla (West), Mumbai 400 070  
Maharashtra, India

**Contact Number:** 022 3802 3145

**Email:** upma.goel@piramal.com

#### **Company Secretary and Compliance Officer**

##### **Bipin Singh**

Piramal Ananta, Agastya Corporate Park,  
Opposite Fire Brigade, Kamani Junction,  
LBS Marg, Kurla (West), Mumbai 400 070  
Maharashtra, India

**Contact Number:** 022 3802 3805

**Facsimile:** 022 3802 3084

**Email:** bipin.singh@piramal.com

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre- Issue or post Issue related issues such as non-receipt of Allotment cum unblocking advice, demat credit of allotment of NCDs or refund orders.

## Lead Managers

### A. K. Capital Services Limited



BUILDING BONDS

603, 6<sup>th</sup> Floor, Windsor,  
Off CST Road, Kalina  
Santacruz East, Mumbai 400 098  
Maharashtra, India

**Tel:** +91 22 6754 6500

**Facsimile:** +91 22 6610 0594

**Email:** pelncd2023@akgroup.co.in

**Investor Grievance Email:** investor.grievance@akgroup.co.in

**Website:** www.akgroup.co.in

**Contact Person:** Aanchal Wagle/ Milan Soni

**Compliance Officer:** Tejas Davda

**SEBI registration no.:** INM000010411

**CIN:** L74899MH1993PLC274881

### JM Financial Limited



7<sup>th</sup> Floor, Cnergy,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai 400 025,  
Maharashtra, India

**Tel:** +91 22 6630 3030

**Facsimile:** +91 22 6630 3330

**Email:** pel.ncdissue2023@jmfl.com

**Investor Grievance Email:** grievance.ibd@jmfl.com

**Website:** www.jmfl.com

**Contact Person:** Prachee Dhuri

**Compliance Officer:** Sunny Shah

**SEBI registration no.:** INM000010361

**CIN:** L67120MH1986PLC038784

### Nuvama Wealth Management Limited (formerly known as Edelweiss Securities Limited)



8<sup>th</sup> Floor, Wing A, Building No 3  
Inspire BKC, G Block, Bandra Kurla Complex,  
Bandra East, Mumbai – 400 051

**Tel:** +91 22 4009 4400

**Email:** pel.ncd@nuvama.com

**Investor Grievance Email:** customerservice.mb@nuvama.com

**Website:** www.nuvama.com

**Contact Person:** Saili Dave

**Compliance Officer:** Bhavana Kapadia

**SEBI registration no.:** INM000013004

**CIN:** U67110MH1993PLC344634

### Trust Investment Advisors Private Limited



TRUST

In Partnership With Trusts

109/110, Balarama  
Bandra Kurla Complex  
Bandra (East), Mumbai – 400 051  
Maharashtra, India

**Tel:** +91 22 4084 5000

**Facsimile:** +91 22 4084 5066

**Email:** projectkrishna.trust@trustgroup.in

**Investor Grievance Email:** customercare@trustgroup.in

**Website:** www.trustgroup.in

**Contact Person:** Hani Jalan  
**Compliance Officer:** Brijmohan Bohra  
**SEBI registration no.:** INM000011120  
**CIN:** U67190MH2006PTC162464

#### Consortium Members



**A. K. Stockmart Private Limited**  
601-602, 6th Floor, Windsor, Off CST Road, Kalina,  
Santacruz – (East), Mumbai 400 098  
Tel: +91 22 6754 6500  
Fax: +91 22 6610 0594  
Email: ashit.raja@akgroup.co.in,  
ranjit.dutta@akgroup.co.in  
Contact Person: Ashit Raja/Ranjit Dutta  
Website: www.akstockmart.com  
Investor Grievance E-mail:  
investor.grievance@akgroup.co.in  
SEBI Registration No.: INZ000240830



**JM Financial Services Limited**  
Ground Floor, 2,3&4, Kamanwala Chambers, Sir P.M.  
Road, Fort, Mumbai – 400001, Maharashtra, India  
Tel: +91 22 6136 3400  
E-mail: tn.kumar@jmfl.com / sona.verghese@jmfl.com  
Contact Person: T N Kumar / Sona Verghese  
Website: www.jmfinancialservices.in  
Investor Grievance E-mail: ig.distribution@jmfl.com  
SEBI Registration No.: INZ000195834



**Trust Securities Services Private Limited**  
1202, Naman Centre, 'G' Block, C-31, Bandra Kurla  
Complex, Bandra (East), Mumbai – 400051  
Tel.: +91 22 2656 7536  
Email: pranav.inamdar@trustgroup.in,  
projectkrishna.trust@trustgroup.in  
Investor Grievance E-mail: tssgrievances@trustgroup.in  
Website: www.trustgroup.in  
Contact Person: Pranav Inamdar  
SEBI Registration Number: INZ000158031

#### Public Issue Account Bank, Sponsor Bank and Refund Bank:



**ICICI Bank Limited**  
Capital Market Division, 5<sup>th</sup> Floor  
163, HT Parekh Marg, Backbay Reclamation  
Churchgate, Mumbai – 400020



**Nuvama Wealth and Investment Limited (Formerly known as Edelweiss Broking Limited)**  
2nd Floor, Office No. 201-203, Zodiac Plaza, Xavier  
College Road, Off C G Road, Ahmedabad – 380009  
Tel: +91 22 4009 4400  
Email: amit.dalvi@nuvama.com,  
prakash.boricha@nuvama.com  
Contact Person: Amit Dalvi/Prakash Boricha  
Website: www.nuwamawealth.com  
Investor Grievance E-mail: helpdesk@nuvama.com  
SEBI Registration No.: INZ000005231



**Trust Financial Consultancy Services Private Limited**  
1101, Naman Centre, 'G' Block, C-31, Bandra Kurla  
Complex, Bandra (East), Mumbai – 400051  
Tel.: +91 22 4084 5000  
Email: pranav.inamdar@trustgroup.in,  
projectkrishna.trust@trustgroup.in  
Contact Person: Pranav Inamdar  
Website: www.trustgroup.in  
Investor Grievance E-mail: grievances@trustgroup.in  
SEBI Registration Number: INZ000238639



**Tel:** 022-68052185  
**Email:** ipocmg@icicibank.com  
**Investor Grievance Email:** ipocmg@icicibank.com  
**Website:** www.icicibank.com  
**Contact Person:** Mr. Varun Badai  
**SEBI Registration No.:** INBI00000004  
**CIN:** L65190GJ1994PLC021012

#### Debenture Trustee

#### IDBI Trusteeship Services Limited



Universal Insurance Building  
Ground Floor, Sir P.M. Road  
Fort, Mumbai – 400 001  
**Tel:** +91 22 40807015, +91 8097474646  
**Facsimile:** +91 22 66311776  
**Email:** response@idbitrustee.com  
**Investor Grievance Email:** response@idbitrustee.com, yash.ghelani@idbitrustee.com, gaurav.jeswani@idbitrustee.com, nikhil@idbitrustee.com, teamivory@idbitrustee.com  
**Website:** www.idbitrustee.com  
**Contact Person:** Nikhil Lohana, Gaurav Jeswani, Yash Ghelani  
**SEBI Registration No.:** IND000000460  
**CIN:** U65991MH2001GOI131154

IDBI Trusteeship Services Limited has, pursuant to Regulation 8 of SEBI NCS Regulations, by its letter dated August 28, 2023 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Tranche I Issue. Please see “Annexure B” of this Tranche I Prospectus.

All the rights and remedies of the Debenture Holders under this Tranche I Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Tranche I Issue without having it referred to the NCD Holders. All investors under this Tranche I Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Tranche I Issue to act as their trustee and for doing such acts, deeds, matters, and things in respect of or relating to the Debenture Holders as the Debenture Trustee may in his absolute direction deem necessary or require to be done in the interest of Debenture Holders and signing such documents to carry out their duty in such capacity. Any payment by our Company to the NCD Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company pro tanto from any liability to the NCD Holders. For details on the terms of the Debenture Trust Deed see, “*Issue Related Information*” on page 77.

#### Registrar to the Issue



**Link Intime India Private Limited**  
C 101, 1<sup>st</sup> Floor, 247 Park  
L.B.S. Marg, Vikhroli West  
Mumbai – 400 083, Maharashtra,  
India  
**Tel:** +91 810 811 4949  
**Fax:** +91-022-49186060  
**E-mail:** pel.ncd@linkintime.co.in  
**Website:** www.linkintime.co.in  
**Investor grievance e-mail:** pel.ncd@linkintime.co.in  
**Contact person:** Sumeet Deshpande  
**SEBI Registration No.:** INR000004058  
**CIN:** U67190MH1999PTC118368

Link Intime India Private Limited has by its letter dated August 28, 2023 given its consent for its appointment as Registrar to the Issue and for its name to be included in the Draft Shelf Prospectus, Shelf Prospectus and this Tranche I Prospectus, Abridged Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Tranche I Issue.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name of the Applicant, Application Form number, Applicant's DP ID, Client ID, PAN, address of Applicant, number of NCDs applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of Application Form and the name and address of the relevant Designated Intermediary where the Application was submitted.

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

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

All grievances arising out of Applications for the NCDs made through the Online Stock Exchanges Mechanism (app based/web interface platform) of the Stock Exchanges, or through Trading Members, may be addressed directly to the Stock Exchange, with a copy to the Registrar to the Issue.

### **Joint Statutory Auditors**

#### **M/s. Suresh Surana & Associates LLP**

308-309, A Wing, Technopolis Knowledge Park, Mahakali Caves Road, Andheri (East),  
Mumbai 400 093, Maharashtra, India

**Tel:** +91-22-61915555

**Firm Registration No.:** 121750W/W-100010

**Email:** santosh.maller@ss-associates.com

**Peer Review Certificate No.:** 014084

**Contact Person:** Santosh Maller

#### **Bagaria & Co. LLP**

701, Stanford Building, S.V. Road, Andheri (West),  
Mumbai 400 058, Maharashtra, India

**Tel:** +91 22 62505600

**Firm Registration No.:** 113447W/W-100019

**Email:** rahul@bagariaco.com

**Peer Review Certificate No.:** 014670

**Contact Person:** Rahul Bagaria

### **Credit Rating Agencies**



#### **ICRA Limited**

Electric Mansion, 3rd floor,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai – 400025

**Tel:** +91 22 61143406

**Fax:** +91 22 24331390

**E-mail:** shivakumar@icraindia.com

**Website:** www.icra.in

**Contact Person:** L Shivakumar

**SEBI Registration No.:** IN/CRA/008/15

**CIN:** L74999DL1991PLC042749



#### **CARE Ratings Limited**

4th Floor, Godrej Coliseum, Somaiya Hospital Rd  
Off Eastern Express Highway

Sion East, Mumbai, Maharashtra - 400022  
**Tel:** +9122 6754 3456  
**E-mail:** kruti.rawal@careratings.com  
**Website:** www.careratings.com  
**Contact Person:** Kruti Rawal  
**SEBI Registration No.:** IN/CRA/004/1999  
**CIN:** L67190MH1993PLC071691

### **Credit Rating and Rationale**

The NCDs proposed to be issued pursuant to this Issue have been rated [ICRA]AA (Stable) by ICRA Limited by way of its letter dated June 27, 2023 revalidated by way of letter dated October 9, 2023 and rated CARE AA; Stable (Double A; Outlook: Stable) by CARE Ratings Limited by way of its letter dated August 1, 2023 revalidated by way of letter dated October 13, 2023. The rating issued by ICRA Limited is live until withdrawn or changed and as available on ICRA's website, and the ratings issued by CARE Ratings Limited is valid as on the date of this Tranche I Prospectus and the rating, once the NCDs are issued, will be valid until withdrawn. The ratings provided by the Credit Rating Agencies may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. In case of any change in credit ratings till the listing of NCDs, our Company will inform the investors through public notices/ advertisements in all those newspapers in which pre issue advertisement has been given. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For details regarding rating letter and rationale for the aforementioned rating, see "Annexure A" beginning on page 136.

### **Disclaimer clause of ICRA Limited**

*"All information contained in the Press Release has been obtained by ICRA from sources believed by ICRA to be accurate and reliable. Although reasonable care has been taken to ensure that the information therein is true, such information is provided 'as is' without any warranty of any kind, and in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. All information contained therein must be construed solely as statements of opinion and not any recommendation for investment. ICRA shall not be liable for any losses incurred by users from any use of the Press Release or its contents. Also, ICRA may provide other permissible services to the Company at arms-length basis."*

### **Disclaimer clause of CARE Ratings Limited**

*"The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information."*

CARE Ratings Limited in its consent letter dated August 28, 2023 has stated the following:

*"We or our affiliates have no fiduciary relationship with the Company, and do not fall under Section 2(38) of the Companies Act, 2013. In issuing and maintaining its ratings, CARE relies on factual information it receives from issuers and underwriters and from other sources CARE believes to be credible. Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. CARE is not your advisor, nor is CARE providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find CARE ratings to be important information, and CARE notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors."*

### **Legal Counsel to the Issue**

#### **Trilegal**

One World Centre  
10th Floor, Tower 2A & 2B,  
Senapati Bapat Marg,  
Lower Parel,  
Mumbai - 400 013  
**Tel:** 022 40791000

## **Impersonation**

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

*“Any person who —*

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

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹10 lakh or 1.00% of the turnover of our Company, whichever is lower, includes imprisonment for a term which shall not be less than three months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹10 lakh or 1.00% of the turnover of our Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹50 lakh or with both.

## **Minimum subscription**

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue size i.e. ₹ 150 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue size, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the ASBA Accounts of the Applicants within eight Working Days from the Tranche I Issue Closing Date. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

## **Underwriting**

This Tranche I Issue will not be underwritten.

## **Recovery Expense Fund**

Our Company has created a recovery expense fund in the manner as specified by the SEBI Master Circular for Debenture Trustees and Regulation 11 of the SEBI NCS Regulations and informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed and the applicable laws, for taking appropriate legal action to enforce the security.

## **Settlement Guarantee Fund**

Our Company will deposit amounts in the settlement guarantee fund in the manner as specified in the SEBI Master Circular. This fund has been created under the SEBI Master Circular to ensure upfront collection of charges from eligible issuers at the time of allotment of debt securities.

## **Arrangers to the Issue**

There are no arrangers to this Tranche I Issue.

## **Guarantor to the Issue**

There are no guarantors to this Tranche I Issue.

## **Designated Intermediaries**

### *Self-Certified Syndicate Banks*

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

In relation to Applications submitted to a Members of the Consortium, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Application Forms from the members of the Syndicate is available on the website of the SEBI ([www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes)), or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Members of the Consortium at Specified Locations, see the website of the SEBI ([www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes)) or any such other website as may be prescribed by SEBI from time to time.

### *Syndicate SCSB Branches*

In relation to ASBA Applications submitted to the Members of the Syndicates or the Trading Members of the Stock Exchanges only in the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Cities named by the respective SCSBs to receive deposits of ASBA Applications from such Members of the Syndicate or the Trading Members of the Stock Exchanges is provided on [www.sebi.gov.in](http://www.sebi.gov.in) or at such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting ASBA Applications from Members of the Syndicate or the Trading Members of the Stock Exchanges only in the Specified Cities, see the above-mentioned web-link.

### *Registered Brokers / RTAs / CDPs*

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012, the RTA Master Circular and the SEBI Master Circular, Applicants can submit ASBA Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). The list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the ASBA Forms from the Registered Brokers is available on the website of the SEBI at [www.sebi.gov.in](http://www.sebi.gov.in) and updated from time to time.

### *CRTAs / CDPs*

The list of the Registered Brokers, RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of the BSE at [www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?expandable=3](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) for Registered Brokers and [www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6](http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6) for RTAs and CDPs, as updated from time to time. For further details, see “*Issue Procedure*” on page 100.

### **Utilisation of Issue proceeds**

For details on utilisation of Issue proceeds, see chapter titled “*Objects of the Issue*” on page 49.

### **Tranche I Issue Programme**

<b>TRANCHE I ISSUE OPENS ON</b>	Thursday, October 19, 2023
<b>TRANCHE I ISSUE CLOSES ON</b>	Thursday, November 2, 2023
<b>PAY IN DATE</b>	Application Date. The entire Application Amount is payable on Application.
<b>DEEMED DATE OF ALLOTMENT</b>	The date on which the Administrative Committee approves the Allotment of the NCDs for this Tranche I Issue or such date as may be determined by the Administrative Committee and notified to the Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the NCD Holders from the Deemed Date of Allotment.

*Note: This Tranche I Issue shall remain open for subscription on Working Days from 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the period indicated in this Tranche I Prospectus, except that this Tranche I Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of Tranche I Issue and subject to not exceeding thirty days from filing this Tranche I Prospectus with ROC) as may be decided by the Administrative Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche I Issue has been given on or before such earlier or initial date of this Tranche I Issue closure. Application Forms for this Tranche I Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Tranche I Issue Period. On the Tranche I Issue Closing Date, the*

Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5.00 p.m. (Indian Standard Time) on one Working Day after the Tranche I Issue Closing Date. For further details please refer to the chapter titled “Issue Related Information” on page 77 of this Tranche I Prospectus.

Applications Forms for this Tranche I Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Tranche I Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Designated Intermediaries, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (ii) directly by the Designated Branches of the SCSBs or (iii) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchanges, as the case maybe, only at the selected cities. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchanges. It is clarified that the Applications not uploaded in the Stock Exchanges platform would be rejected.

Due to limitation of time available for uploading the Applications on the Tranche I Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche I Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Tranche I Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers, nor any Member of the Syndicate, Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. As per the SEBI Master Circular, the allotment in this Tranche I Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

#### **Inter-se Allocation of Responsibilities among the Lead Managers:**

The following table sets forth the inter-se allocation of responsibilities and coordination for various activities among the Lead Managers:

<b>S. No.</b>	<b>Activities</b>	<b>Responsibility</b>	<b>Coordinator</b>
1.	Due diligence of Company’s operations/ management/ business plans/ legal etc. and drafting the Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus (together “ <b>Offer Documents</b> ”).  Coordination with the Designated Stock Exchanges for in-principle approval.	All Lead Managers	AK Capital
2.	Structuring of various issuance options with relative components and formalities etc.	All Lead Managers	AK Capital
3.	Co-ordination with auditors for auditor deliverables and co-ordination with lawyers for legal opinion.	All Lead Managers	AK Capital
4.	Appointment of other intermediaries viz., Registrar, Debenture Trustee, Consortium/Syndicate Members, printer, advertising agency and Public Issue Bank cum Refund Bank.	All Lead Managers	AK Capital
5.	Drafting and approval of statutory advertisement	All Lead Managers	AK Capital
6.	Coordination with the printer for designing and finalization of Offer Documents, Application Form including memorandum containing salient features of the Offer Documents.	All Lead Managers	Trust Investment
7.	Drafting and approval of all publicity material (excluding statutory advertisement as mentioned in 5 above) including print and online advertisement, outdoor advertisement including brochures, banners, hoardings etc.	All Lead Managers	JM Financial and Trust Investment
8.	Preparation of road show presentation, FAQs.	All Lead Managers	Trust Investment
9.	Marketing strategy which will cover, inter alia: <ul style="list-style-type: none"> <li>• Deciding on the quantum of the Issue material and follow-up on distribution of publicity and Issue material including Application Forms, Offer Documents, posters, banners, etc.</li> <li>• Finalise collection centers</li> <li>• Coordinate with Registrar for collection of Application Forms by ASBA banks;</li> </ul>	All Lead Managers	JM Financial and Trust Investment

<b>S. No.</b>	<b>Activities</b>	<b>Responsibility</b>	<b>Coordinator</b>
	<ul style="list-style-type: none"> <li>Finalisation of list and allocation of institutional investors for one on one meetings.</li> </ul>		
10.	Coordination with the Stock Exchanges for use of the bidding software	All Lead Managers	Trust Investment
11.	Coordination for security creation by way of execution of Debenture Trust Deed/ Deed of Hypothecation.	All Lead Managers	Trust Investment
12.	<ul style="list-style-type: none"> <li>Coordination with Registrar and ASBA Banks for final certificate;</li> <li>Finalisation of Basis of Allotment with Designated Stock Exchange;</li> <li>Coordination with Registrar for transfer of funds from ASBA banks to Public Issue Account; and</li> <li>Allotment resolution</li> </ul>	All Lead Managers	Nuvama
13.	<ul style="list-style-type: none"> <li>Drafting and finalization of post issue stationery items like allotment and refund advice, etc.;</li> <li>Coordination for generation of ISINs;</li> <li>Corporate action for dematerialized credit /delivery of securities;</li> <li>Coordinating approval for listing and trading of securities; and</li> <li>Redressal of investor grievances in relation to post issue activities.</li> </ul>	All Lead Managers	Nuvama

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

To

**The Board of Directors**

Piramal Enterprises Limited  
Piramal Ananta, Agastya Corporate Park,  
Opposite Fire Brigade, Kamani Junction,  
LBS Marg, Kurla (West),  
Mumbai – 400 070  
Maharashtra, India

Dear Sirs/ Madams,

**Statement of Possible Tax Benefits available to the debenture holders of Piramal Enterprises Limited (the “Company”) in connection with the proposed public issue of secured redeemable non-convertible debentures of face value of Rs. 1,000 each amounting to Rs. 3,000 crore (the “Debentures” or the “NCDs”) (hereinafter referred to as the “Issue”)**

1. This certificate is issued in accordance with the terms of our engagement letter dated July 31, 2023.
2. We hereby confirm that the enclosed Annexure, prepared by the Company, provides the tax provisions and possible tax benefits, if any, available to the potential debenture holders (“Investors”) subscribing in the NCDs of Company in the annexure (hereinafter referred to as “Statement of Tax Benefits” or the “Statement”) under the Income-tax Act, 1961(read with Income Tax Rules, circulars, notifications) as amended by the Finance Act, 2023 (hereinafter referred to as the “IT Act”) in connection with the Issue., i.e. applicable for the financial year **2023-24** relevant to the assessment year **2024-25** respectively, presently in force in India. Several of these benefits are dependent on the Company or its debenture holders fulfilling the conditions prescribed under the relevant provisions of the IT Act. Hence, the ability of the Company and / or its debenture holders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its debenture holders may or may not choose to fulfil.

**Management’s Responsibility**

3. The preparation of this Statement as of the date of our certificate which is to be included in the Shelf Prospectus and relevant Tranche Prospectus(es) (the “Offering Document”) is the responsibility of the management of the Company.
4. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Statement, and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

**Auditor’s Responsibility**

5. Our responsibility is to examine whether the Statement prepared by the Company, is in accordance with applicable provision of the IT Act. For this purpose, we have read the Statement and evaluated with reference to the provisions of the IT Act to confirm that statements made are correct in all material respect. We conducted our examination of the information given in the Statement in accordance with the ‘Guidance Note on Reports or Certificates for Special Purposes’ issued by the Institute of Chartered Accountants of India (“ICAI”), as revised from time to time; the aforesaid Guidance Note requires that we comply with the ethical requirements of the ‘Code of Ethics’ issued by the ICAI, as revised from time to time.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, ‘Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements’, issued by the Institute of Chartered Accountants of India, as revised from time to time.

**Inherent Limitations**

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



8. In our opinion, the enclosed Statement prepared by the Company materially covers all the provisions of the IT Act with respect to taxability for debenture holders of the Company as at the date of our report
9. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue. Neither are we suggesting nor advising the investor to invest money based on this Statement.
10. We do not express any opinion or provide any assurance as to whether:
  - i) the Company or its debenture holders will continue to obtain these benefits in future;
  - ii) the conditions prescribed for availing the benefits have been / would be met with; and
  - iii) the revenue authorities/courts will concur with the views expressed herein.
11. The contents of the enclosed Statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
12. This certificate is issued solely for the purpose of the Issue and can be used, in full or part, for inclusion in the Offer Documents, and for the submission of this certificate as may be necessary, to any regulatory / statutory authority including SEBI and the Registrar of Companies, Maharashtra at Mumbai, stock exchanges, any other authority as may be required and/or for the records to be maintained by the lead managers appointed in connection with the Issue (the "**Lead Managers**") and in accordance with applicable law, and for the purpose of any defense the Lead Managers may wish to advance in any claim or proceeding in connection with the contents of the Offer Documents.
13. Accordingly, our certificate should not be quoted or referred to in any other document made available to any other person or persons, other than as required by law or by a competent regulatory authority (in which case you shall, unless prohibited by law, informed to us), without our prior written consent. We neither accept nor assume any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.
14. This certificate may be relied on by Lead Managers, namely A.K. Capital Services Limited, Nuvama Wealth Management Limited, JM Financial Limited and Trust Investment Advisors Private Limited, their affiliates and legal counsel in relation to the Issue.
15. We undertake to immediately inform the Lead Managers for the Issue in case of any material changes in respect to the matters covered in the annexed statement upon receipt of knowledge of the same from the Company, in writing, till the date when the NCDs of the tranche 1 of the Issue commence trading on BSE Limited and/ or National Stock Exchange of India Limited. In the absence of any such communication, it may be assumed that the above information is accurate and updated and there is no change in respect of the matters covered in this certificate.

**For Suresh Surana & Associates LLP**  
Chartered Accountants  
Firm Registration No. – 121750W/W-100010

**For Bagaria & Co LLP**  
Chartered Accountants  
Firm Registration No. – 113447W/ W-100019

**Santosh Maller**  
Partner  
Membership Number: 143824  
UDIN:  
23143824BGQQGD1945  
Place: Mumbai  
Date: August 28, 2023

**Rahul Bagaria**  
Partner  
Membership Number: 145377  
UDIN:  
23145377BGRAGB3313  
Place: Mumbai  
Date: August 28, 2023

Cc:

**Lead Managers**

**A.K. Capital Services Limited**

603, 6th Floor, Windsor  
Off CST Road, Kalina,  
Santacruz East, Mumbai 400 098  
Maharashtra, India

**Nuvama Wealth Management Limited**

801-804, Wing A, Building No.3  
Inspire BKC, G Block, Bandra Kurla Complex  
Bandra East, Mumbai – 400 051

**JM Financial Limited**

7th Floor, Cnergy,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai 400 025  
Maharashtra, India

**Trust Investment Advisors Private Limited**

109/110, Balarama  
Bandra Kurla Complex  
Bandra (E), Mumbai – 400 051  
Maharashtra, India

## Annexure A

### STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

The information provided below sets out the possible tax benefits available to the subscribers of secured, rated, listed, redeemable non-convertible debentures (“NCDs”) of an Indian company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposing of the NCDs under the current tax laws presently in force in India. Several of these benefits are dependent on the subscribers fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the subscribers to derive the tax benefits is dependent upon fulfilling such conditions, which, based on business imperatives a subscriber faces, may or may not choose to fulfill.

The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Subscribers are advised to consult their own tax consultant with respect to the tax implications of an investment in the NCDs, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

**THE SUBSCRIBERS ARE ADVISED TO CONSULT THEIR OWN TAX CONSULTANT WITH RESPECT TO THE TAX IMPLICATIONS AND CONSEQUENCES OF PURCHASING, OWNING AND DISPOSING THE NCDs IN YOUR PARTICULAR SITUATION.**

**POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS UNDER THE INCOME TAX ACT, 1961, (“the IT ACT”) PRESENTLY IN FORCE IN INDIA ON ACQUISITION OF THE NCDs.**

1. The basis of charge of Indian income-tax would depend upon the residential status of the debenture holder during a tax year. The Indian tax year runs from April 1 until March 31.
2. If the debenture holder is an Indian tax resident, he is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the IT Act.
3. A debenture holder, who is treated as a non-resident for Indian income-tax purposes, is generally subject to tax in India only on his India-sourced income (i.e., income which accrues or arises or deemed to accrue or arise in India) and income received by such persons in India. Since the NCDs would be issued by an Indian company, any income in respect of the NCDs and/or gains arising to the non-resident debenture holder on transfer would generally be regarded as India-sourced income and would accordingly be taxable in India under the IT Act.
4. In case of non-resident debenture holders, the tax rates and the consequent taxation, mentioned in this part shall be further subject to any benefits available under the Double Taxation Avoidance Agreement (“DTAA” or “tax treaty”), if any, between India and the country of residence of the non-resident, subject to satisfying the relevant conditions including but not limited to:
  - a) conditions (if any) present in the said DTAA read with the relevant provisions of the Multilateral Instrument (“MLI”) as ratified by India with the respective country of which the said debenture holder is a tax resident;
  - b) non-applicability of General Anti-Avoidance Rule (“GAAR”); and
  - c) providing and maintaining necessary information and documents as prescribed under the IT Act read with applicable rules, circulars and/or notifications.
5. All references to NCDs hereinafter refer to secured, rated, listed, redeemable, non-convertible debentures unless stated otherwise.
6. **Determination of head of income for the purpose of taxability**

The returns received by the investors from the NCDs in the form of interest and/or gains or loss on transfer of the NCD, may be characterized under the following broad heads of income for the purposes of taxation under the IT Act:

- Profits and gains from business or profession (“PGBP”);
- Income from capital gains (“CG”); and
- Income from other sources (“IFOS”)

If the NCDs are held as ‘Stock-in-trade’, interest income as well as gain or loss on its transfer will be taxable under the head PGBP, whereas, if the NCD are held as ‘Investments’, then the interest income will be taxable under the head IFOS and any gain or loss on its transfer will be assessed to tax under the head CG.

For determining the appropriate head of income (as mentioned above) vis-à-vis the interest income or gains earned on/ from the NCD, it will be pertinent to analyse whether the NCDs are held as 'Investments' i.e. capital asset or as 'Stock-in-trade'. The conclusion can vary based on the facts of each investor's case (taking into account factors such as the volume of purchases and sales, ratio between purchases and sales, the period of holding, whether the intention is to earn a profit from sale or to earn interest etc.).

The Central Board of Direct Taxes ("CBDT") has clarified in Circular No. 6/2016 dated February 29, 2016 that income arising from transfer of listed shares and securities, which are held for more than 12 months would be taxed as "Capital Gains" unless the Assessee itself treats these as its stock-in-trade and income arising from transfer thereof as its business income.

Further, as per section 2(14) of the IT Act, 'capital asset' includes, *inter alia*, securities held by a Foreign Institutional Investor ("FII") [now known as Foreign Portfolio Investor] which has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992 ("SEBI"). Accordingly, such securities, held by an FII, will be characterized as 'capital asset' and classification as 'Stock-in-trade' shall not apply.

*The investors may obtain specific advice from their tax advisors regarding the tax treatment of their investments.*

## **7. Taxation of Interest and Gain/Loss on transfer of NCDs**

### **A. RESIDENT DEBENTURE HOLDERS:**

#### **1. In respect of Interest on NCDs**

Interest on NCDs received by the NCD holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the IT Act. Interest will be assessed to income tax on an accrual basis or receipt basis depending on the method of accounting regularly employed by the debenture holder under section 145 of the IT Act.

##### **1.1 Taxable under the head PBBP**

As discussed above, depending on the particular facts of each case, the NCDs may, in certain cases, be regarded to be in the nature of 'Stock-in-trade' and, accordingly, the interest on NCDs should be considered to be in the nature of business income and hence, chargeable to tax under the head PGBP.

##### **1.2 Taxable under the head IFOS**

Where the NCDs are held as investments by the debenture holders, then the interest income would be taxable under the head IFOS.

Section 57(i) grants deduction of any reasonable sum paid by way of commission or remuneration paid to a banker or any other person for the purpose of realizing dividend or interest on securities on behalf of the Assessee. Further, under clause (iii) of section 57, deduction is allowable for any other expenditure (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for the purpose of making or earning the income.

#### **2. In respect of Withholding taxes**

2.1 Interest on NCDs received by its holder would be subject to deduction of tax at source ("TDS") at the rate of 10% at the time of credit or payment, whichever is earlier as per the provisions of section 193 of the IT Act.

2.2 Prior to Finance Act 2023, section 193 provided for no TDS in case of any interest payable on any security issued by a company, where such security was in dematerialized form and listed on a recognized stock exchange in India. However, the said relaxation has been omitted by Finance Act 2023 with effect from April 1, 2023. Accordingly, TDS at the rate of 10% would now be deductible on listed NCDs.

2.3 Section 193 further provides for non-deduction of tax at source in certain cases.

Section 193 *inter alia* provides for no TDS where the aggregate amount of interest paid or likely to be paid during the financial year to an individual or HUF, being a resident, does not exceed ₹5,000 and such interest is paid by an account payee cheque.

2.4 No deduction of tax is required in case of resident individuals or resident Hindu Undivided Family ("HUF") if self-declaration in Form no. 15G/15H is furnished as per section 197A(1A)/(1C).

2.5 Further, as per section 196, no deduction of tax shall be made by any person from any sums payable to –

- (i) the Government, or
- (ii) the Reserve Bank of India, or
- (iii) a corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income, or
- (iv) a Mutual Fund specified under clause (23D) of section 10

2.6 Further, section 197A(1E) provides no deduction of tax shall be made from any payment to any person for, or on behalf of, the New Pension System Trust referred to in clause (44) of section 10.

2.7 Section 206AA provides for a higher withholding rate in case of any person, who being entitled to receive any sum/ income on which TDS is deductible under Chapter XVIIB (deductee), fails to furnish his Permanent Account Number to the person responsible for deducting such TDS. The withholding tax rates in case of such person shall be higher of the following:

- (i) at the rate specified in the relevant provision of the IT Act; or
- (ii) at the rate or rates in force; or
- (iii) at the rate of 20%.

2.8 Section 206AB provides for a higher withholding rate in case of any person (other than (a) a non-resident who does not have a permanent establishment in India or (b) a person who is not required to furnish the return of income for the assessment year relevant to the concerned previous year and is notified by the Central Government in the Official Gazette in this behalf) who has not filed the return of income for assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year. The withholding tax rates in case of such person shall be higher of the following:

- (i) at twice the rate specified in the relevant provision of the IT Act; or
- (ii) at twice the rate or rates in force; or
- (iii) at the rate of 5%.

Further, where the provisions of section 206AA of the IT Act are applicable to such person, tax shall be deducted at higher of the rates provided in section 206AB and in section 206AA of the IT Act.

### 3. **In respect of Capital Gains arising from transfer of NCDs**

3.1 As discussed above, based on the particular facts of each case, the NCD may, in certain cases, be regarded to be held as 'Investments' in which case the gains or loss from the transfer of such NCD should be chargeable to tax under the head CG.

3.2 As per section 2(29AA) r.w.s. 2(42A) of the IT Act, a capital asset shall be treated as a long-term capital asset ("LTCA"), if the same is held for more than 36 months immediately preceding the date of its transfer. However, in case of a listed security, the same shall be treated as a LTCA, if it is held for more than 12 months immediately preceding the date of its transfer.

3.3 As per section 112 of the IT Act, Long Term Capital Gain ("LTCG") arising on transfer of the NCDs would be subject to tax at the rate of 20% (plus applicable surcharge and education cess). However, the amount of such tax shall be limited to 10% (plus applicable surcharge and education cess) without indexation, in case of listed NCDs.

3.4 As per the third proviso to section 48 of the IT Act, the benefit of indexation on the cost of acquisition of a LTCA under second proviso of section 48 of the IT Act, is not available in case of bonds and debenture, except capital indexed bonds and sovereign gold bonds.

3.5 Short Term Capital Gains ("STCG") arising from transfer of the NCDs would be taxable as per the normal slab rates (plus applicable surcharge and education cess), subject to applicability of concessional tax regime.

3.6 Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under section 112 of the IT Act. Also, the capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the NCDs from the sale consideration accrued to the respective NCD holder.

- 3.7 Section 54EE of the IT Act exempts long-term capital gains on transfer of any LTCA if the gains upto Rs. 50 lacs are invested in “long term specified assets” within six months from the date of transfer. The investment in long-term specified assets should be held for 3 years.

For the purposes of section 54EE of the IT Act, “long term specified assets” has been defined as a unit or units issued before April 1, 2019, of such fund as may be notified by the Central Government in this behalf.

Further, if the units of the notified fund are transferred within a period of three years from the date of its acquisition, the amount of capital gains for which the exemption was availed earlier would be taxed as LTCG in the year in which such units are transferred.

- 3.8 Under section 54F of the IT Act and subject to the conditions and to the extent provided therein, LTCG arising in the hands of the NCD holder, being an Individual or Hindu Undivided Family, on transfer of the NCDs would be exempt from tax, if the net consideration from such transfer is utilized, for purchase within a period of 1 year before or 2 years after the date on which the transfer took place, or for construction within a period of 3 years after the date of such transfer, of one residential house in India (“new asset”).

However, the said exemption shall not be available, if the debenture holder:

- a. Owns more than one residential house, other than the new asset, on the date of transfer of the NCDs; or
- b. Purchases any residential house, other than the new asset, within a period of 1 year after the date of transfer of the NCDs; or
- c. Constructs any residential house, other than the new asset, within a period of 3 years after the date of transfer of the NCDs;

and

- d. The income from such residential house, other than the one residential house owned on the date of transfer of the NCDs is chargeable under the head ‘Income from house property’.

Where the cost of new asset exceeds Rs. 10 crores, the amount exceeding Rs. 10 crores shall not be taken into account for the purpose of section 54F(1). That is to say, the maximum deduction permissible under section 54F is restricted to Rs. 10 crores.

Further, if the new asset is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains for which the exemption was availed earlier would be taxed as LTCG in the year in which such residential house is transferred.

- 3.9 As per the seventh proviso to section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as Capital Gains.
- 3.10A new section 50AA has been inserted by Finance Act 2023 for computation of capital gains in case of inter alia Market Linked Debentures (“MLDs”) so as to tax the income from the same as short term capital gains irrespective of their period of holding. The NCDs under consideration are not MLDs and thus, the said section would not be applicable.

#### 4. **In respect of Business Income arising from transfer of NCDs**

- 4.1 As discussed above, depending on the particular facts of each case, the NCDs may, in certain cases, be regarded to be in the nature of ‘Stock-in-trade’ and, accordingly, the gains from the transfer of such NCD should be considered to be in the nature of business income and hence, chargeable to tax under the head PGBP.

In such a scenario, the gains from the business of investing in the NCD may be chargeable to tax on a ‘net’ basis (i.e. net of allowable deductions for expenses/allowances under Chapter IV – Part D of the IT Act).

- 4.2 In terms of section 36(1)(xv) of the IT Act, the STT paid by the investor in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head PGBP, if the income arising from taxable securities’ transaction is included in such income.

#### 5. **In respect of Set off and carry forward of the losses**

- 5.1 As per section 70 of the IT Act, Short Term Capital Loss (“STCL”) computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be

carried forward for subsequent eight assessment years, for being set off against subsequent years' STCG as well as LTCG, in terms of section 74 of the IT Act.

- 5.2 Long Term Capital Loss computed for a given year is allowed to be set off only against the LTCG, in terms of section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' LTCG, in terms of section 74 of the IT Act.
- 5.3 As per section 70 of the IT Act, business loss from one source (other than loss on speculation business) for a given year is allowed to be set off against business income from another source. Further, as per section 71 of the IT Act, business loss (other than loss on speculation business) for a given year is allowed to be set-off against income from other heads (except Salaries).

Balance business loss (other than loss on speculation business), which is not set-off is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' non-speculative business income, as per section 72.

6. In case, where total income of any individual, HUF, Association of Person ("AOP") (except in case of an AOP having only companies as its members), Body of Individuals ("BOI"), Artificial Juridical Person ("AJP") includes any income *inter alia* by way of capital gains under sections 111A, 112 and 112A, the rate of surcharge on the amount of income-tax computed in respect of such income shall not exceed 15%. The applicable rates of surcharge are tabulated hereunder:

Total Income	Income other than Capital gains covered u/s 111A, 112 and 112A	Capital gains covered u/s 111A, 112 and 112A
Upto ₹50 lakh	Nil	Nil
Income exceeds ₹ 50 lakhs but does not exceed ₹1 crore	10%	10%
Income exceeds ₹1 crore but does not exceed ₹2 crore	15%	15%
Income exceeds ₹2 crore but does not exceed ₹5 crores	25%	15%
Income exceeds ₹5 crores	37%#	15%

# In case of any individual, HUF, AOP (other than a co-operative society), BOI, Artificial Juridical Person, Finance Act, 2023 has made section 115BAC as the default tax regime w.e.f. AY 2024-25. Under this regime the highest rate of surcharge is restricted to 25%. There is an option to opt out of section 115BAC, in which case, the highest rate of surcharge rate shall be 37%.

## **B. NON-RESIDENT DEBENTURE HOLDERS OTHER THAN FOREIGN INSTITUTIONAL INVESTOR ("FII"):**

### **1. In respect of Interest on NCDs**

Interest on NCDs received by the NCD holders would be subject to income tax at the normal rates of tax in accordance with and subject to the provisions of the IT Act. Interest will be assessed to income tax on accrual basis or receipt basis depending on the method of accounting regularly employed by the debenture holder under section 145 of the IT Act.

#### **1.1 Taxable under the head PBBP**

As discussed above, depending on the particular facts of each case, the NCDs may, in certain cases, be regarded to be in the nature of 'Stock-in-trade' and, accordingly, the interest on NCDs should be considered to be in the nature of business income and hence, chargeable to tax under the head PGBP.

#### **1.2 Taxable under the head IFOS**

Where the NCDs are held as investments by the debenture holders, then the interest income would be taxable under the head IFOS.

Section 57(i) grants deduction of any reasonable sum paid by way of commission or remuneration paid to a banker or any other person for the purpose of realizing dividend or interest on securities on behalf of the Assessee. Further, under clause (iii) of section 57, deduction is allowable for any other expenditure (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for the purpose of making or earning the income.

### **2. In respect of Withholding taxes**

- 2.1 Interest on the NCDs received by its holder would be subject to withholding tax at source at the time of credit or payment, whichever is earlier as per the provisions of section 195 of the IT Act. The applicable income-tax rate for deduction of tax at source has been provided in Part II of First Schedule to Finance Act, 2023.

However, no/lower income-tax shall be deductible if the holder of the NCDs obtains a certificate under sections 195(3) or 197(1) from the Assessing Officer for no deduction of tax at source or lower deduction at source and that certificate is furnished to the Company before the prescribed date of closure of books of account of the Company for payment of debenture interest.

2.2 The Company would be under an obligation to deduct tax at source under section 195 at applicable rates in force. In the absence of PAN of the debenture holder, tax would be deductible at higher of, the applicable rate or 20% as per section 206AA of the IT Act. The provisions of section 206AA will, however not apply if the non-resident debenture holder provides to the payer the following details as listed in Rule 37BC:

- (i) name, e-mail id, contact number;
- (ii) address in the country or specified territory outside India of which the debenture holder is a resident;
- (iii) Tax Residency Certificate;
- (iv) Tax Identification Number/ Unique Identification Number of the debenture holder.

2.3 Section 206AB provides for a higher withholding rate in case of any person (other than (a) a non-resident who does not have a permanent establishment in India or (b) a person who is not required to furnish the return of income for the assessment year relevant to the concerned previous year and is notified by the Central Government in the Official Gazette in this behalf) who has not filed the return of income for assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year. The withholding tax rates in case of such person shall be higher of the following:

- (i) at twice the rate specified in the relevant provision of the IT Act; or
- (ii) at twice the rate or rates in force; or
- (iii) at the rate of 5%.

Further, where the provisions of section 206AA of the IT Act are applicable to such person, tax shall be deducted at higher of the rates provided in section 206AB and in section 206AA of the IT Act.

### 3. **In respect of Capital Gains from transfer of NCDs**

- 3.1 As discussed above, based on the particular facts of each case, the NCD may, in certain cases, be regarded to be held as 'Investments' in which case the gains or loss from the transfer of such NCD should be chargeable to tax under the head CG.
- 3.2 As per section 2(29AA) r.w.s 2(42A) of the IT Act, a capital asset shall be treated as a long-term capital asset (LTCA), if the same is held for more than 36 months immediately preceding the date of its transfer. However, in case of a listed security, the same shall be treated as a LTCA, if it is held for more than 12 months immediately preceding the date of its transfer.
- 3.3 Under the first proviso to Section 48 of the IT Act, in case of a non-resident investor, while computing the capital gains arising from transfer of the NCDs acquired in convertible foreign exchange (as per exchange control regulations), protection is provided from fluctuations in the value of rupee in terms of foreign currency in which the original investment was made. The capital gains/loss in such a case is computed by converting the cost of acquisition, sale consideration and expenditure incurred wholly and exclusively in connection with such transfer into the same foreign currency which was utilized for the purchase of the NCDs.
- 3.4 As per section 112 of the IT Act, Long Term Capital Gain (LTCG) arising on transfer of the NCDs would be subject to tax at the rate of 20% (plus applicable surcharge and education cess). However, the amount of such tax shall, be limited to 10% (plus applicable surcharge and education cess) without indexation, at the option of the debenture holder if the NCDs are listed.
- 3.5 As per the third proviso to section 48 of the IT Act, the benefit of indexation on the cost of acquisition of a LTCA under second proviso of section 48 of the IT Act, is not available in case of bonds and debenture, except capital indexed bonds and sovereign gold bonds.
- 3.6 Short Term Capital Gains (STCG) arising from transfer of the NCDs would be taxable as per the slab rates provided under Finance Act, 2023 (plus applicable surcharge and education cess), subject to applicability of concessional tax regime.



- 3.7 Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under section 112 of the IT Act. Also, the capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the NCDs from the sale consideration accrued to the respective NCD holder.
- 3.8 Section 54EE of the IT Act exempts long-term capital gains on transfer of any LTCA if the gains upto Rs. 50 lacs are invested in “long term specified assets” within six months from the date of transfer. The investment in long-term specified assets should be held for 3 years.

For the purposes of section 54EE of the IT Act, “long term specified assets” has been defined as a unit or units issued before April 1, 2019, of such fund as may be notified by the Central Government in this behalf.

Further, if the units of the notified fund are transferred within a period of three years from the date of its acquisition, the amount of capital gains for which the exemption was availed earlier would be taxed as LTCG in the year in which such units are transferred.

- 3.9 Under section 54F of the IT Act and subject to the conditions and to the extent provided therein, LTCG arising in the hands of the debenture holder, being an Individual or Hindu Undivided Family, on transfer of the debentures would be exempt from tax, if the net consideration from such transfer is utilized, for purchase within a period of 1 year before or 2 years after the date on which the transfer took place, or for construction within a period of 3 years after the date of such transfer, of one residential house in India (new asset).

However, the said exemption shall not be available, if the debenture holder:

- a. Owns more than one residential house, other than the new asset, on the date of transfer of the NCDs; or
- b. Purchases any residential house, other than the new asset, within a period of 1 year after the date of transfer of the NCDs; or
- c. Constructs any residential house, other than the new asset, within a period of 3 years after the date of transfer of the NCDs;

and

- d. The income from such residential house, other than the one residential house owned on the date of transfer of the NCDs is chargeable under the head ‘Income from house property’.

Where the cost of new asset exceeds Rs. 10 crores, the amount exceeding Rs. 10 crores shall not be taken into account for the purpose of section 54F(1). That is to say, the maximum deduction permissible under section 54F is restricted to Rs. 10 crores.

Further, if the new asset is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains for which the exemption was availed earlier would be taxed as LTCG in the year in which such residential house is transferred.

- 3.10 As per the seventh proviso to section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as Capital Gains.

- 3.11 A new section 50AA has been inserted by Finance Act 2023 for computation of capital gains in case of *inter alia* Market Linked Debentures (MLDs) so as to tax the income from the same as short term capital gains irrespective of their period of holding. The NCDs under consideration are not MLDs and thus, the said section would not be applicable.

#### 4. **In respect of Business Income from transfer of NCDs**

- 4.1 As discussed above, depending on the particular facts of each case, the NCDs may, in certain cases, be regarded to be in the nature of ‘Stock-in-trade’ and, accordingly, the gains from the transfer of such NCD should be considered to be in the nature of business income and hence, chargeable to tax under the head PGBP.

In such a scenario, the gains from the business of investing in the NCD may be chargeable to tax on a ‘net’ basis (i.e. net of allowable deductions for expenses/allowances under Chapter IV – Part D of the IT Act).

- 4.2 In terms of section 36(1)(xv) of the IT Act, the STT paid by the investor in respect of the taxable securities transactions entered into in the course of his business would be eligible for deduction from the amount of income chargeable under the head PGBP, if the income arising from taxable securities transaction is included in such income.

#### 5. **In respect of Set off and carry forward of Losses**

- 5.1 As per section 70 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off against subsequent years' STCG as well as LTCG, in terms of section 74 of the IT Act.
- 5.2 Long Term Capital Loss computed for a given year is allowed to be set off only against the LTCG, in terms of section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' LTCG, in terms of section 74 of the IT Act.
- 5.3 As per section 70 of the IT Act, business loss from one source (other than loss on speculation business) for a given year is allowed to be set off against business income from another source. Further, as per section 71 of the IT Act, business loss (other than loss on speculation business) for a given year is allowed to be set-off against income from other heads (except Salaries).
- 5.4 Balance business loss (other than loss on speculation business), which is not set-off is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' non-speculative business income, as per section 72.
6. Where the NCDs have been subscribed in convertible foreign exchange, Non-Resident Indians ("NRI"), i.e. an individual being a citizen of India or person of Indian origin who is not a resident, have the option of being governed by the provisions of Chapter XII-A of the IT Act, which *inter alia* entitles them to the following benefits:
  - (i) Under section 115E of the IT Act, interest on NCDs shall be taxable in the hands of NRI at the rate of 20% (plus applicable surcharge and health & education cess) and the LTCG arising to the NRI shall be taxable at the rate of 10 % (plus applicable surcharge and health & education cess). While computing the LTCG, the benefit of indexation of cost would not be available.
  - (ii) Under section 115F of the IT Act, LTCG arising to an NRI from the transfer of the debentures subscribed to in convertible foreign exchange shall be exempt from income-tax, if the net consideration is reinvested in specified assets or in any saving certificates referred to in section 10(4B) of the IT Act, within six months of the date of transfer. If only part of the net consideration is so reinvested, the exemption shall be proportionately reduced. The amount so exempted shall be chargeable to tax subsequently, if the specified assets or saving certificate are transferred or converted into money within three years from the date of their acquisition.
  - (iii) Under section 115G of the IT Act, it shall not be necessary for an NRI to furnish his return of income under section 139(1) of the IT Act if his total income chargeable under the IT Act consists of only investment income or LTCG or both; arising out of assets acquired, purchased or subscribed in convertible foreign exchange and tax deductible at source has been deducted thereon as per the provisions of Chapter XVII-B of the IT Act.
  - (iv) In accordance with the provisions of Section 115H of the IT Act, where an NRI becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer along with his return of income for that year under Section 139 of the IT Act to the effect that the provisions of Chapter XII-A of the IT Act shall continue to apply to him in relation to such investment income derived from the specified assets (which includes debentures issued by an Indian company which is not a private company) for that year and subsequent assessment years until such assets are transferred or converted into money.
  - (v) As per provisions of Section 115-I of the IT Act, an NRI may elect not to be governed by provisions of Chapter XII-A and compute his total income as per other provisions of the IT Act.
7. The provisions of section 115JB of the IT Act do not apply to a foreign company if it is a resident of a country with which India has entered into a DTAA under section 90/90A of the IT Act and the Assessee does not have a Permanent Establishment in India or such company is a resident of a country with which India does not have such agreement and the Assessee is not required to seek registration under any law for the time being in force, relating to companies.

Further, section 115JB expressly provides that the amount of income from (i) capital gains arising on transactions in securities; or (ii) interest, dividend, royalty or fees for technical services chargeable to tax at the rates specified in Chapter XII, accruing or arising to a foreign company shall not be liable to MAT if such income is credited to the profit and loss account and the income-tax payable in accordance with the other provisions of the IT Act, is less than the rate specified in section 115JB. The expenditures, if any, debited to the profit and loss account, corresponding to such income (which is to be excluded from the MAT liability) shall also be added back to the book profit for the purpose of computation of MAT.

8. In case, where total income of any individual, HUF, AOP(except in case of an AOP having only companies as its members), BOI, Artificial Juridical Person includes any income *inter alia* by way of capital gains under sections 111A, 112 and 112A, the rate of surcharge on the amount of income-tax computed in respect of such income shall not exceed 15%. The applicable rates of surcharge are tabulated hereunder:

Total Income	Income other than Capital gains covered u/s 111A, 112 and 112A	Capital gains covered u/s 111A, 112 and 112A
Upto ₹50 lakh	Nil	Nil
Income exceeds ₹ 50 lakhs but does not exceed ₹1 crore	10%	10%
Income exceeds ₹1 crore but does not exceed ₹2 crore	15%	15%
Income exceeds ₹2 crore but does not exceed ₹5 crores	25%	15%
Income exceeds ₹5 crores	37%#	15%

# In case of any individual, HUF, AOP (other than a co-operative society), BOI, Artificial Juridical Person, Finance Act, 2023 has made section 115BAC as the default tax regime w.e.f. AY 2024-25. Under this regime the highest rate of surcharge is restricted to 25%. There is an option to opt out of section 115BAC, in which case, the surcharge rate of 37% would be applicable.

9. As per section 90(2) of the IT Act, the provisions of the IT Act would prevail over the provisions of the DTAA entered between India and the country of residence of the non-resident, if any, to the extent they are more beneficial to the non-resident. Thus, a non-resident can opt to be governed by the provisions of the IT Act or the applicable tax treaty (read with MLI, if applicable), whichever is more beneficial. The treaty and MLI provide for various anti-abuse provisions (*viz.* beneficial ownership, Limitation on Benefit, Principal Purpose Test, etc.) which have to be examined for claiming tax treaty benefit. In order to avail treaty benefit, the non-resident will also have to furnish a Tax Residency Certificate of his being a resident in a country outside India, alongwith Form No. 10F as prescribed under section 90(5) of the IT Act. Further, vide Notification No. 03/2022 dated 16 July 2022, the Directorate of Income Tax (Systems) has added Form 10F to the prescribed list of forms to be furnished electronically. Also, vide Circular dated December 12, 2022 r.w. Circular dated March 28, 2023, CBDT has relaxed the requirement of electronic filing of Form 10F till September 30, 2023 in case of non-resident taxpayers who are not having PAN and are not required to obtain PAN as per relevant provisions of IT Act read with Income-tax rules, 1962.

### C. NON-RESIDENT DEBENTURE HOLDERS – FIIs:

#### 1. In respect of Interest on NCDs

- 1.1 Section 115AD(1) provides for taxation of income of *inter alia* FIIs/FPIs from securities or capital gains arising from their transfer. The rate of income-tax prescribed for income in respect of securities *inter alia* debentures is 20% (plus applicable surcharge and education cess).
- 1.2 The computation of income has to be in accordance with section 115AD and other applicable provisions of the IT Act. FII/FPI debenture holders may avail tax treaty benefit (if any), subject to satisfaction of certain conditions.

#### 2. In respect of Capital Gains from transfer of NCDs

- 2.1 As per section 2(29AA) r.w.s 2(42A) of the IT Act, a capital asset shall be treated as a long-term capital asset (LTCA), if the same is held for more than 36 months immediately preceding the date of its transfer. However, in case of a listed security, the same shall be treated as a LTCA, if it is held for more than 12 months immediately preceding the date of its transfer.
- 2.2 Capital gains taxable under section 115AD would be computed without giving effect to the first and second proviso to section 48. In other words, adjustment in respect of foreign exchange fluctuation and benefit of indexation would not be allowed while computing the Capital Gains. The rate of income-tax prescribed under the said section on capital gains income is as under:
- Short Term Capital Gains (other than gains covered under section 111A) – 30%
  - Long Term Capital Gains – 10%
- 2.3 Further, no deduction under Chapter VI-A would be allowed in computing LTCG subject to tax under section 115AD of the IT Act. Also, the capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the NCDs from the sale consideration accrued to the respective NCD holder.

- 2.4 Section 54EE of the IT Act exempts long-term capital gains on transfer of any LTCA if the gains upto Rs. 50 lacs are invested in “long term specified assets” (i.e. units of notified fund) within six months from the date of transfer. The investment in long term specified assets should be held for 3 years.

For the purposes of section 54EE of the IT Act, “long term specified assets” has been defined as a unit or units issued before April 1, 2019, of such fund as may be notified by the Central Government in this behalf.

Further, if the units of the notified fund are transferred within a period of three years from the date of its acquisition, the amount of capital gains for which the exemption was availed earlier would be taxed as LTCG in the year in which such units are transferred.

- 2.5 As per the seventh proviso to section 48 of the IT Act, no deduction of amount paid on account of STT will be allowed in computing the income chargeable to tax as Capital Gains.
- 2.6 A new section 50AA has been inserted by Finance Act 2023 for computation of capital gains in case of *inter alia* Market Linked Debentures (MLDs) so as to tax the income from the same as short term capital gains irrespective of their period of holding. The NCDs under consideration are not MLDs and thus, the said section would not be applicable.

### 3. **In respect of Withholding taxes**

- 3.1 Interest on NCDs received by its holder would be subject to withholding tax at source at the time of credit or payment, whichever is earlier as per the provisions of section 196D of the IT Act. The applicable income-tax rate would be 20% (plus applicable surcharge and education cess) as provided under section 196D of the IT Act, subject to treaty benefit entitlement.
- 3.2 In the absence of PAN of the debenture holder, tax would be deductible at higher of, the applicable rate or 20% as per section 206AA of the IT Act. The provisions of section 206AA will, however not apply if the non-resident debenture holder provides to the payer the following details as listed in Rule 37BC:
- (i) name, e-mail id, contact number;
  - (ii) address in the country or specified territory outside India of which the debenture holder is a resident;
  - (iii) Tax Residency Certificate;
  - (iv) Tax Identification Number/ Unique Identification Number of the debenture holder.
- 3.3 Section 206AB provides for a higher withholding rate in case of any person (other than (a) a non-resident who does not have a permanent establishment in India or (b) a person who is not required to furnish the return of income for the assessment year relevant to the concerned previous year and is notified by the Central Government in the Official Gazette in this behalf) who has not filed the return of income for assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year. The withholding tax rates in case of such person shall be higher of the following:
- (i) at twice the rate specified in the relevant provision of the IT Act; or
  - (ii) at twice the rate or rates in force; or
  - (iii) at the rate of 5%.

Further, where the provisions of section 206AA of the IT Act are applicable to such person, tax shall be deducted at higher of the rates provided in section 206AB and in section 206AA of the IT Act.

- 3.4 As per section 196D(2) of the IT Act, tax is not required to be deducted at source from any income, by way of Capital Gains arising to a FII from the transfer of securities referred to in section 115AD of the IT Act.

### 4. **In respect of Set off and carry forward of losses**

- 4.1 As per section 70 of the IT Act, Short Term Capital Loss computed for the given year is allowed to be set off against STCG as well as LTCG computed for the said year. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years, for being set off against subsequent years' STCG as well as LTCG, in terms of section 74 of the IT Act.

- 4.2 Long Term Capital Loss computed for a given year is allowed to be set off only against the LTCG, in terms of section 70 of the IT Act. The balance loss, which is not set off, is allowed to be carried forward for subsequent eight assessment years for being set off only against subsequent years' LTCG, in terms of section 74 of the IT Act.
5. The provisions of section 115JB of the IT Act do not apply to a foreign company if it is a resident of a country with which India has entered into a DTAA under section 90/90A of the IT Act and the Assessee does not have a Permanent Establishment in India or such company is a resident of a country with which India does not have such agreement and the Assessee is not required to seek registration under any law for the time being in force, relating to companies.

Further, section 115JB expressly provides that the amount of income from (i) capital gains arising on transactions in securities; or (ii) interest, dividend, royalty or fees for technical services chargeable to tax at the rates specified in Chapter XII, accruing or arising to a foreign company shall not be liable to MAT if such income is credited to the profit and loss account and the income-tax payable in accordance with the other provisions of the Income-tax Act, is less than the rate specified in section 115JB. The expenditures, if any, debited to the profit and loss account, corresponding to such income (which is to be excluded from the MAT liability) shall also be added back to the book profit for the purpose of computation of MAT.

6. In case, where total income of any individual, AOP (except in case of an AOP having only companies as its members), BOI, Artificial Juridical Person includes any income *inter alia* by way of capital gains referred under section 115AD(1)(b), the rate of surcharge on the amount of income-tax computed in respect of such income shall not exceed 15%. The applicable rates of surcharge are tabulated hereunder:

Total Income	Income other than Capital gains referred u/s 115AD(1)(b)	Capital gains covered referred u/s 115AD(1)(b)
Upto ₹50 lakh	Nil	Nil
Income exceeds ₹ 50 lakhs but does not exceed ₹1 crore	10%	10%
Income exceeds ₹1 crore but does not exceed ₹2 crore	15%	15%
Income exceeds ₹2 crore but does not exceed ₹5 crores	25%	15%
Income exceeds ₹5 crores	37%#	15%

# In case of any individual, HUF, AOP (other than a co-operative society), BOI, Artificial Juridical Person, Finance Act, 2023 has made section 115BAC as the default tax regime w.e.f. AY 2024-25. Under this regime the highest rate of surcharge is restricted to 25%. There is an option to opt out of section 115BAC, in which case, the surcharge rate of 37% would be applicable. In case of FIIs/FPIs, the applicability of section 115BAC needs to be evaluated.

10. As per section 90(2) of the IT Act, the provisions of the IT Act would prevail over the provisions of the DTAA entered between India and the country of residence of the non-resident, if any, to the extent they are more beneficial to the non-resident. Thus, a non-resident can opt to be governed by the provisions of the IT Act or the applicable tax treaty (read with MLI, if applicable), whichever is more beneficial. The treaty and MLI provide for various anti-abuse provisions (*viz.* beneficial ownership, Limitation on Benefit, Principal Purpose Test, etc.) which have to be examined for claiming treaty benefit. In order to avail treaty benefit, the non-resident will also have to furnish a Tax Residency Certificate of his being a resident in a country outside India, alongwith Form No. 10F as prescribed under section 90(5) of the IT Act. Further, vide Notification No. 03/2022 dated 16 July 2022, the Directorate of Income Tax (Systems) has added Form 10F to the prescribed list of forms to be furnished electronically. Also, vide Circular dated December 12, 2022 r.w. Circular dated March 28, 2023, CBDT has relaxed the requirement of electronic filing of Form 10F till September 30, 2023 in case of non-resident taxpayers who are not having PAN and are not required to obtain PAN as per relevant provisions of IT Act read with Income-tax rules, 1962.

**D. Category III Alternative Investment Fund located in International Financial Services Centre & Investment Division of an Offshore Banking Unit:**

1. W.e.f. FY 2020-21, the provisions of section 115AD are extended to a 'specified fund' defined under clause (e) of the Explanation to clause (4D) of section 10. 'Specified fund' is defined to mean a fund established or incorporated in India in the form of a trust or a company or a limited liability partnership or a body corporate, –
- (i) which has been granted a certificate of registration as a Category III Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012 made under the SEBI Act, 1992 or regulated under the IFSC (Fund Management) Regulations, 2022 made under the IFSC Authority Act, 2019;
- (ii) which is located in any International Financial Services Centre; and
- (iii) of which all the units are held by non-residents other than unit held by a sponsor or manager;

Finance Act, 2021 has w.e.f. FY 2021-22 further amended the definition of specified fund to also mean an investment division of an offshore banking unit, which has been—

- (i) granted a certificate of registration as a Category I FPI under the SEBI (FPI), Regulations, 2019 made under the SEBI Act, 1992 which has commenced its operations on or before the 31<sup>st</sup> day of March, 2024; and
- (ii) fulfils such conditions including maintenance of separate accounts for its investment division, as may be prescribed.

2. The rate of income-tax prescribed under section 115AD(1) on various streams of income is as under:

- (i) Income in respect of securities *inter alia* debentures – 10%
- (ii) Short Term Capital Gains covered under section 111A – 15%
- (iii) Other Short Term Capital Gains – 30%
- (iv) Long Term Capital Gains – 10%

The computation of income has to be in accordance with section 115AD and other applicable provisions of the IT Act.

3. The Finance Act, 2021 has further inserted a new sub-sections (1B) w.e.f FY 2021-22 which states that notwithstanding anything contained in section 115AD(1), in case of investment division of an offshore banking unit, the provisions of this section shall apply to the extent of income that is attributable to the investment division of such banking units.

The provisions of section 115AD shall apply only to the extent of income that is attributable to units held by non-resident (not being a permanent establishment of a non-resident in India) calculated in the prescribed manner. Further, as per section 115JEE, the provisions of Alternate Minimum Tax shall not apply to such specified funds.

4. Section 196D(1A) provides for deduction of tax on any income in respect of securities referred to in section 115AD(1)(a) at the rate of 10% (plus applicable surcharge and education cess). Provided that no deduction shall be made in respect of an income exempt under section 10(4D). In the absence of PAN, TDS rate would be increased to 20% as per section 206AA.

#### ***E. Investment Funds – Category I or Category II Alternative Investment Fund (“AIF”):***

1. Under section 10(23FBA) of the IT Act, any income of an Investment Fund, other than the income chargeable under the head “Profits and gains of business or profession” would be exempt from income tax. For this purpose, an “Investment Fund” means a fund registered as Category I or Category II Alternative Investment Fund and is regulated under the Securities and Exchange Board of India (Alternate Investment Fund) Regulations, 2012 or regulated under the IFSC (Fund Management) Regulations, 2022 made under the IFSC Authority Act, 2019.

As per section 115UB(1) of the IT Act, any income accruing/arising/received by a person from his investment in Investment Fund would be taxable in the hands of the person making an investment in the same manner as if it were the income accruing/arising/received by such person had the investments been made directly in the venture capital undertaking.

2. In case, the Fund incurs any losses, only the business losses would be eligible to be carried forward and set-off by the Fund at the Fund level. The prescribed conditions laid down under the IT Act for carry forward and set off of losses should be applicable to the Fund in this regard.

3. Losses other than business loss shall be allowed to be carried forward and set-off by the Unit holders while computing the total tax liability, provided that the units of the Fund are held for a period of more than 12 months. Further, such loss cannot be carried forward at Fund level even if the loss is not passed onto the Investors on account of non-fulfilment of condition of holding the units for at least 12 months. The eligible period for carry forward of losses would depend on the nature of loss.

4. Section 115UB of the IT Act further provides that:

- (i) Income paid or credited by Fund shall be deemed to be of the same nature and in the same proportion in the hands of the Investors as it had been received by or had accrued or arisen to Fund.
- (ii) Income accruing or arising to, or received by, Fund, during a particular financial year, if not paid or credited to the Investors shall be deemed to be credited to the account of the Investors on the last day of the financial year in

the same proportion in which such Investors would have been entitled to receive the income, had it been paid in the same financial year.

5. As per section 10(23FBB) read with section 115UB of the IT Act, any business income, accruing or arising to or received by Investors of the Fund, shall be exempt in the hands of the Investors and taxed in the hands of the Fund at the rates specified in the Finance Act of the relevant year where the Investment Fund is a company or a firm and at maximum marginal rate in any other case.

Income received by Fund which is exempt in its hand under section 10(23FBA) would not be subjected to any withholding tax by virtue of section 197A(1F) read with Notification No.51/2015/SO1703(E) dated June 25, 2015.

6. Further, as per section 194LBB of the IT Act, where any income, other than that proportion of income which is of the same nature as income referred to in section 10(23FBB) of the IT Act, is payable to a unit holder in respect of units of an Investment Fund, the person responsible for making the payment shall, at the time of credit of such income to the account of payee or at the time of payment thereof in cash or by issue of a cheque or draft or by any other mode, whichever is earlier, deduct income-tax thereon:
  - (i) at the rate of 10% where the payee is a resident; and
  - (ii) at the rates in force where the payee is a non-resident.

#### ***F. Mutual Funds:***

Under section 10(23D) of the IT Act, any income of mutual funds registered under SEBI or Regulations made thereunder or mutual funds set up by public sector banks or public financial institutions or mutual funds authorized by the Reserve Bank of India and subject to the conditions specified therein, is exempt from tax subject to such conditions as the Central Government may by notification in the Official Gazette, specify in this behalf.

#### ***G. Provident Fund and Pension Fund:***

Under section 10(25) of the IT Act, any income received by trustees on behalf of a recognized provident fund or a recognized superannuation fund is exempt from tax.

#### ***H. Multi-lateral and Bilateral development Financial Institutions:***

Generally, multilateral and bilateral development financial institutions may be exempt from taxation in India on the capital gains arising on the sale of NCDs of the bank depending on the applicable Statute and Acts passed in India. For e.g., World Bank, IBRD, IFC, etc. In case, they are not specifically exempt from tax then the provisions as applicable for capital gains to a non-resident FII, as they may be registered as FII, may apply to these institutions.

#### ***I. Withholding taxes on Purchase of Goods***

As per section 194Q of the IT Act, any sum payable by a buyer for purchase of goods of the value exceeding Rs. 50 Lakhs shall be liable to withhold tax at the rate of 0.1 percent.

Buyer means a person whose total sales, turnover or gross receipts from the business carried on by him exceeds Rs. 10 crores in the financial year immediately preceding the financial year in which the purchase is carried out.

Further, TDS shall not be applicable where:-

- a. Tax is deductible under any of the provisions of the IT Act; or
- b. Tax is collectible under the provisions of section 206C of the IT Act other than a transaction to which section 206C(1H) of the IT Act applies.

The CBDT has issued Circular No 13 of 2021 dated June 30, 2021 laying down guidelines under section 194Q of the IT Act. It inter alia provides that TDS under section 194Q of the IT Act shall not apply to transaction in securities and commodities which are traded through recognized stock exchanges or cleared and settled by the recognized clearing corporation (including exchanges or corporation located in IFSC).

Given that the Circular does not provide clarity in respect of shares/ securities traded off-market, it is advisable that the subscribers obtain specific advice from their tax advisors regarding applicability of these provisions.

Further, the CBDT has also inter alia clarified that the section 194Q of the IT Act shall not apply to a non-resident buyer, whose purchase of goods from a seller, resident in India, is not effectively connected with the permanent establishment of such non-resident in India.

For this purpose, 'permanent establishment' shall mean to include a fixed place of business through which the business of the enterprise is wholly or partly carried on.

**J. Documents required in cases of lower/ non-deduction of TDS due to exemption available**

Sr. No.	Class of NCD holders	Relevant Section which grants TDS exemption	Documents to be taken on record from NCD holders
1	Resident Individual or Resident HUF	For Non-deduction or lower deduction of tax at source u/s 193 of the IT Act	<p>In case of NCD holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish the below mentioned documents: -</p> <p>(a) a declaration (in duplicate) in the prescribed form i.e.</p> <p>(i) Form 15H to be furnished by individuals who are aged 60 years or more</p> <p>(ii) Form 15G to be furnished by all persons (other than companies, and firms),</p> <p>or</p> <p>(b) a certificate from the Assessing Officer under section 197 of the IT Act which can be obtained by all persons for nil / lower deduction of tax at source by making an application in the prescribed form (i.e. Form No.13.)</p>
2	Non-residents- (Other than FIIs/FPIs)	For Non-deduction or lower deduction of tax at source u/s 195 of the IT Act	A certificate under section 197 of the IT Act from the Indian Assessing Officer for nil / lower deduction of tax at source by making an application in the prescribed form (i.e. Form No.13.)
3	Life insurance Corporation of India established under the Life Insurance Corporation Act, 1956 in respect of any securities owned by it or in which it has full beneficial interest	Clause vi of Proviso to Section 193 of IT Act.	Copy of Registration certificate.
4	<p>a. General Insurance Corporation of India ("GIC"),</p> <p>b. Four companies formed u/s 16(1) of General Insurance Business (Nationalization) Act, 1972 and</p> <p>c. any company in which GIC or aforesaid four companies have full beneficial interest.</p>	Clause vii of Proviso to Section 193 of the It Act.	<p>Copy of Registration certificate.</p> <p>Copy of shareholding pattern.</p>
5	Any other Insurer other than mentioned above in <b>Sr No. 2 &amp; 3.</b>	Clause viii of Proviso to Section 193 of the IT Act.	Copy of Registration certificate issued by Insurance Development Regulatory Authority (IRDA).
6	Mutual Funds	Section 196(iv) read with section 10(23D) of the IT Act	Copy of Registration certificate issued by SEBI / RBI.



Sr. No.	Class of NCD holders	Relevant Section which grants TDS exemption	Documents to be taken on record from NCD holders
			Declaration from the Mutual Fund with respect to income being exempt u/s 10(23D) of the IT Act.
7	The Government, RBI and corporation established under Central / State Act whose income is exempt from tax	Section 196(i), (ii) and (iii) of the IT Act	Documentary evidence to establish that Corporation is established under Central / State Act  Documentary evidence with respect to income being exempt from tax with applicable provisions.
8	Recognized Provident Fund, Approved Gratuity Fund, Approved Superannuation Fund.	Section 10(25) of the IT Act and CBDT Circular - 18/2017 dated May 29, 2017.	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income tax authorities.  Declaration from the fund with respect to income being exempt u/s 10(25) of the IT Act.
9	Employees State Insurance Fund set up under the provisions of the Employees' State Insurance Act, 1948	Section 10(25A) and CBDT Circular - 18/2017 dated May 29, 2017.	Copy of Registration and Recognition certificate issued by relevant statutory authorities and income-tax authorities.  Declaration from the fund with respect to income being exempt u/s 10(25A) of the IT Act.
10	New Pension System Trust.	Section 10(44) read with Section 197A(1E) and CBDT Circular - 18/2017 dated May 29, 2017.	Relevant Registration certificate issued to NPS Trust under section Indian Trusts Act, 1882  Declaration from the trust with respect to income being exempt u/s 10(44) of the IT Act.
11	Local Authorities	Section 10(20) etc. read with CBDT Circular - 18/2017 dated May 29, 2017.	Relevant Registration certificate  Declaration that they fall within the relevant income-tax section and eligible for income-tax exemption on their income
12	Alternative Investment Funds (Category I and II)	Section 10(23FBA) read with section 197A(1F).	Copy of Registration certificate issued by SEBI.

#### **K. Income tax on Gifts**

Under section 56(2)(x) of the IT Act and subject to exception provided therein, if any person receives from any person, any property, including, inter alia, securities of a company, without consideration or for inadequate consideration, the following shall be treated as 'Income from other sources' in the hands of the recipient:

- (i) where the securities are received without consideration, aggregate Fair Market Value ("FMV") exceeds Rs. 50,000/-, the whole FMV
- (ii) where the securities are received for a consideration less than FMV and difference is exceeding Rs. 50,000/, aggregate FMV in excess of the consideration paid.

Rule 11UA of the Income-tax Rules, 1962 provides for the method for determination of the FMV of various properties (including shares).

#### **L. General Anti Avoidance Rules (GAAR):**

Having regard to Chapter X-A of the IT Act, GAAR may be invoked notwithstanding anything contained in the IT Act. Thus, any arrangement entered into by a taxpayer may be declared to be impermissible avoidance arrangement, as defined in that Chapter and the consequence would inter alia include denial of tax benefit. Further, as per section 90(2A) of the IT Act, the benefit of the DTAA will not be available to a non-resident investor, if the concerned tax authorities declare any

arrangement to be an impermissible avoidance arrangement. The GAAR provisions are applicable with effect from the Financial Year 2017-18.

**THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX BENEFITS/CONSEQUENCES. THE NOTE SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.**

## OBJECTS OF THE ISSUE

### Issue proceeds

Public issue by the Company of 10,000,000 secured, rated, listed, redeemable non-convertible debentures of face value of ₹ 1,000 each (“NCDs” or “Debentures”) for an amount of ₹ 1,000 crore (“Tranche I Issue”) which is within the shelf limit of ₹ 3,000 crore and is being offered by way of this Tranche I Prospectus, which should be read together with the Shelf Prospectus filed with the ROC, Stock Exchanges and SEBI.

The Tranche I Issue is being made pursuant to the provisions of the SEBI NCS Regulations and the Companies Act and the rules made there under. Our Company proposes to utilize the proceeds raised through the Tranche I Issue, after deducting the Tranche I Issue related expenses to the extent payable by our Company (“Net Proceeds”) towards funding the objects listed under this section.

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

Particulars	Estimated amount (in ₹ crores)
Gross proceeds of the Tranche I Issue	1,000.00*
Less: Tranche I Issue related expenses**	13.89
<b>Net Proceeds</b>	<b>986.11</b>

\* Assuming the Tranche I Issue is fully subscribed

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

### Requirement of Funds and Utilization of Net Proceeds

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

S. No.	Objects of the Issue	Percentage of amount proposed to be financed from Net Proceeds
1.	For the purpose of onward lending, financing and for repayment/prepayment of interest and principal of existing borrowings of the Company*	At least 75%
2.	General corporate purposes**	Maximum of up to 25%
<b>Total</b>		<b>100%</b>

\* Our Company will not utilize the proceeds of this Tranche I Issue towards payment of prepayment penalty, if any.

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

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

### Purpose for which there is a requirement of funds

As stated in this section.

### Funding plan

Not Applicable.

### Summary of the project appraisal report

Not Applicable.

### Schedule of implementation of the project

Not Applicable

### Monitoring and reporting of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. The Audit Committee of our Company shall monitor the utilisation of the proceeds of the Issue. Our Company will disclose in our Company’s financial statements for the relevant Financial Year commencing from Fiscal 2024, the utilisation of the proceeds of the Issue under a

separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Our Company shall utilize the proceeds of the Issue only upon receipt of minimum subscription, i.e. 75% of Base Issue Size relating to the Issue, the execution of the documents for creation of security and the Debenture Trust Deed and receipt of final listing and trading approval from the Stock Exchanges. Our Company shall, at the end of every quarter, submit to the Stock Exchanges, a statement indicating the utilization of issue proceeds of non-convertible securities, which shall be continued to be given till such time the issue proceeds have been utilised or the purpose for which these proceeds were raised has been achieved, in accordance with the SEBI Listing Regulations. Our Company shall utilise the proceeds of the Issue only upon execution of the documents for creation of Security and the Debenture Trust Deed and receipt of listing and trading approval from the Stock Exchanges as stated in the section titled “*Terms of the Issue*” on page 83.

### Interim use of proceeds

The management of our Company, in accordance with the policies formulated by it from time to time, will have the flexibility in deploying the proceeds received from the Issue. Pending utilisation of the proceeds out of the Issue for the purposes described above, our Company intends to temporarily invest funds as may be approved by our Board of Directors or a committee thereof, in accordance with applicable law. Such investment would be in accordance with the investment policy of our Company approved by our Board of Directors or any committee thereof from time to time and applicable law.

### Tranche I Issue expenses

The expenses for this Tranche I Issue include, inter alia, lead management fees and selling commission to the Lead Managers, Consortium Member(s) and intermediaries as provided for in the SEBI Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs’ commission/ fees, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to this Tranche I Issue. The Tranche I Issue expenses and listing fees will be paid by our Company.

The estimated Issue expenses for this Tranche I Issue is as below:

Particulars	Amount (₹ in crore)*	As percentage of Tranche I Issue proceeds (in %)	As percentage of total expenses of the Tranche I Issue (in %)
Lead managers fees	1.30	0.13%	9.36%
Underwriting commission	0	0.00%	0.00%
Brokerage, selling commission and upload fees	8.36	0.84%	60.17%
Fee Payable to the registrars to the issue	0.09	0.01%	0.63%
Fees payable to the legal advisors	1.15	0.12%	8.28%
Fees payable to Auditors	1.04	0.10%	7.51%
Advertising and marketing expenses	0.84	0.08%	6.06%
Fees payable to the regulators including stock exchanges	0.14	0.01%	0.99%
Expenses incurred on printing and distribution of issue stationery	0.14	0.01%	0.98%
Fees to Debenture Trustee, Rating Agencies, for procuring Industry Report	0.42	0.04%	3.02%
Expenses towards Depository charges, corporate action and stamp duty	0.32	0.03%	2.29%
Any other fees, commission or payments under whatever nomenclature and Miscellaneous expenses	0.10	0.01%	0.72%
<b>Grand Total</b>	<b>13.89</b>	<b>1.39%</b>	<b>100.00%</b>

Note: The above expenses are subject to applicable taxes as per the agreed terms of engagement with respective agency.

*\* Assuming the Issue is fully subscribed, and our Company retains oversubscription as per the Issue Documents.*

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

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Managers/ Consortium Members/Members of the Syndicate/Brokers/Trading Members and submitted to the SCSBs for blocking the Application Amount of the Applicant, at the rate of ₹ 10 per Application Form procured. However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee. The payment will be made on the basis of valid invoices within such timelines mutually agreed to/prescribed by the Company with the Designated Intermediaries. Our Company shall not pay any fees to the Sponsor Bank.

### **General Corporate Purposes**

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

### **Variation in terms of contract or objects in this Tranche I Prospectus**

Our Company shall not, in terms of Section 27 of the Companies Act, at any time, vary the terms of the objects for which this Tranche I Prospectus is issued, except as may be prescribed under the applicable laws and specifically under Section 27 of the Companies Act. Further, in accordance with the SEBI Listing Regulations, in case of any material deviation in the use of proceeds as compared to the objects of the issue, the same shall be indicated in the format as specified by SEBI from time to time.

### **Other confirmations**

In accordance with the SEBI NCS Regulations, our Company will not utilize the proceeds of the Tranche I Issue for providing loans to or acquisition of shares of any person or company who is a part of the Promoter Group or Group Companies.

Proceeds from this Tranche I Issue will not be utilised towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property. No part of the proceeds from this Tranche I Issue will be paid by us as consideration to our Promoter, the Directors, Key Managerial Personnel, Senior Management or companies promoted by our Promoter except in ordinary course of business.

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

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

The fund requirement as above is based on our current business plan and is subject to change in light of variations in external circumstances or costs, or in our financial condition, business or strategy. Our management, in response to the competitive and dynamic nature of the industry, will have the discretion to revise its business plan from time to time and consequently our funding requirements and deployment of funds may also change.

There is no contribution being made or intended to be made by the Directors as part of this Tranche I Issue or separately in furtherance of the Objects of this Tranche I Issue.

Our Promoter, Directors, Key Managerial Personnel or Senior Management have no financial or other material interest in the Issue.

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

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

### **Utilisation of the proceeds of this Tranche I Issue**

Our Board of Directors certifies that:

- (i) all monies received out of the Tranche I Issue of the NCDs shall be transferred to a separate bank account maintained with a scheduled bank, other than the bank account referred to in section 40(3) of the Companies Act 2013 and the SEBI NCS Regulations, and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals;
- (ii) the allotment letter shall be issued, or application money shall be refunded in accordance with the Applicable Law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period
- (iii) details of all monies utilised out of the Tranche I Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilised;
- (iv) details of all unutilised monies out of the Tranche I Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form of financial assets in which such unutilised monies have been invested;
- (v) we shall utilize the Issue proceeds only upon creation of security as stated in this Tranche I Prospectus in the section titled "*Terms of the Issue*" on page 83 and after (a) permissions or consents for creation of charge over the assets of the Company and for further raising of funds have been obtained from the creditors; (b) receipt of the minimum subscription of 75% of the Base Issue Size pertaining to the Issue; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs and (e) receipt of listing and trading approval from Stock Exchanges;
- (vi) the Tranche I Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any property;
- (vii) the Tranche I Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Issue proceeds shall be utilised only for the purpose and objects stated in the Offer Documents; and
- (viii) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

## MATERIAL DEVELOPMENTS

Other than disclosed elsewhere in the Shelf Prospectus and in this Tranche I Prospectus and hereinafter below, since March 31, 2023 till the date of filing this Tranche I Prospectus, there have been no material event/ development or changes having implications on the financials or credit quality which may affect the Issue or the investor's decision to invest/continue to invest in the non-convertible securities as of the date of this Tranche I Prospectus, other than the following:

- (a) The Board of Directors at its meeting held on July 28, 2023, approved buy-back of Equity Shares of our Company of up to 1,40,00,000 number of Equity Shares of face value of ₹ 2/- each representing 5.87% of the pre-buyback fully paid up Equity Shares at a price of ₹1,250.00 per share for an aggregating to ₹ 1,750.00 crores, through the tender offer route. The buy-back tendering period opened on August 31, 2023, closed on September 6, 2023 and our Company extinguished those shares on September 18, 2023.
- (b) The Board of Directors has recommended a final dividend of ₹ 31/- (Rupees Thirty-One) per equity share of face value of ₹ 2/- each (i.e. @ 1550%) for the financial year ended March 31, 2023, in Board meeting dated May 5, 2023, which was paid, post the approval of the shareholders of our Company in the 76<sup>th</sup> Annual General Meeting.
- (c) Our Company had sold its entire direct investment of 8.34% in the fully paid-up share capital of Shriram Finance Limited to third party investors, on the floor of the stock exchange for a net consideration of ₹ 4,788.58 crores resulting in profit of ₹ 854.68 crores. It has been intimated to Stock Exchanges on June 21, 2023

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Issuer's Absolute Responsibility

*“The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Shelf Prospectus read with this Tranche I Prospectus contains all information with regard to the Issuer and the issue which is material in the context of the issue, that the information contained in this Tranche I Prospectus is true and correct in all material aspects and is not misleading in, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.”*

### Authority for this Issue

At the meeting of our Board of Directors held on May 5, 2023, they approved the issuance of NCDs in one or more tranches. Pursuant to the shareholders resolution passed at the Annual General Meeting held on August 1, 2016, our Board of Directors have been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital, free reserves and securities premium reserve of our Company, up to a limit of an outstanding aggregate value of ₹ 44,000 crores over and above the aggregate of the paid-up share capital of our Company and its free reserves as prevailing from time to time, exclusive of interest and other charges.

Further, pursuant to the scheme of arrangement by which PHL Fininvest Private Limited was amalgamated with our Company, and the borrowing limit of our Company in terms of Section 180(1)(c) of the Companies Act, 2013 was deemed increased without any further act, thereby increasing the borrowing limit to ₹ 46,100.75 crores. The Tranche I Issue is within the overall borrowing limit.

The Draft Shelf Prospectus has been approved by the Administrative Committee at its meeting held on August 28, 2023. The Shelf Prospectus and this Tranche I Prospectus have been approved by the Administrative Committee at its meeting held on October 16, 2023.

### Prohibition by SEBI/ Eligibility of our Company for the Issue

Our Company, persons in control of our Company and/or our Promoter and/or our Promoter Group and/or our Directors have not been restrained or prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force. None of our Directors and/or our Promoter, is a director or promoter of another company which has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

Our Company is not in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six-months.

The Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Tranche I Prospectus.

No regulatory action is pending against our Company or its Promoter or Directors before the Board or the Reserve Bank of India.

### Categorisation as wilful defaulter

Our Company or persons in control of our Company or any of our Directors or our Promoter have not been categorised as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI, ECGC or any other governmental / regulatory authority.

None of our Whole-time Directors and/or our Promoter, is a whole-time director or promoter of another company which has been categorised as a wilful defaulter.

### Declarations relating to Fugitive Economic Offender

None of our Directors and/or Promoter have been declared as Fugitive Economic Offender.

### Other confirmations

None of our Company or our Directors or our Promoter, or person(s) in control of our Company was a promoter, director or person in control of any company which was delisted within a period of ten years preceding the date of this Tranche I Prospectus, in accordance with Chapter V of the SEBI Delisting Regulations.



Further, it is confirmed that our Company is eligible to file the Shelf Prospectus in accordance with Regulation 41 of SEBI NCS Regulations, as under:

- (i) Our Company is in compliance with applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and any other guidelines so specified by SEBI.
- (ii) Our Company has a net worth of at least rupees five hundred crore, as per the audited standalone financial statements of the preceding financial year i.e., Fiscal 2023;
- (iii) The securities to be issued have been assigned a rating of **not less than “AA -”** category or equivalent by a credit rating agency registered with SEBI;
- (iv) Our Company has a consistent track record of operating profit for the last three financial years as per the audited standalone financial statements;
- (v) No regulatory action is pending against the issuer or its promoter or directors before the Board or the Reserve Bank of India.
- (vi) Our Company, as on the date of this Tranche I Prospectus, has not defaulted in any of the following, for the last three financial years and the current financial year:
  - (a) the repayment of deposits of interest payable thereon; or
  - (b) redemption of preference shares; or
  - (c) redemption of debt securities and interest payable thereon; or
  - (d) payment of dividend to any shareholder; or
  - (e) repayment of any term loan or interest payable thereon;

#### **Disclaimer Clause of SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGERS, A. K. CAPITAL SERVICES LIMITED, NUVAMA WEALTH MANAGEMENT LIMITED (FORMERLY KNOWN AS EDELWEISS SECURITIES LIMITED), JM FINANCIAL LIMITED AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGERS**

**HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED OCTOBER 16, 2023, WHICH READS AS FOLLOWS:**

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

**NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**

- 3. WE CONFIRM THAT THE OFFER DOCUMENT CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021.**
- 4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.**

**THE LEAD MANAGERS CONFIRM THAT NO COMMENTS/ COMPLAINTS WERE RECEIVED ON THE DRAFT SHELF PROSPECTUS DATED AUGUST 28, 2023 FILED WITH THE STOCK EXCHANGES, BSE LIMITED IS THE DESIGNATED STOCK EXCHANGE FOR THE ISSUE**

**Disclaimer Clause of BSE**

**BSE LIMITED (“THE EXCHANGE”) HAS GIVEN, VIDE ITS LETTER NO DCS/BM/PI-BOND/012/23-24 DATED SEPTEMBER 6, 2023 PERMISSION TO THIS COMPANY TO USE THE EXCHANGE’S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY’S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:**

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

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

**Disclaimer Clause of NSE**

**AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN VIDE ITS LETTER REF.: NSE/LIST/D/2023/0214 DATED SEPTEMBER 5, 2023 PERMISSION TO THE ISSUER TO USE THE EXCHANGE’S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THE ISSUER’S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THE ISSUER.**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE AFORESAID PERMISSION GIVEN BY NSE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE OFFER DOCUMENT HAS BEEN CLEARED OR APPROVED BY NSE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; NOR DOES IT WARRANT THAT THE ISSUER’S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; NOR DOES IT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THE ISSUER, ITS PROMOTER, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER.**

**EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY SECURITIES OF THIS ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE EXCHANGE WHATSOEVER BY REASON OF ANY LOSS**

**WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION /ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.**

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#### **Disclaimer statement from the Issuer**

**THE ISSUER ACCEPTS NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE SHELF PROSPECTUS AND THIS TRANCHE I PROSPECTUS OR IN ANY ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF OUR COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.**

#### **Undertaking by the Issuer**

**INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS TRANCHE I ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS” SECTION ON PAGE 21 OF THE SHELF PROSPECTUS.**

**OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS TRANCHE I PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS TRANCHE I PROSPECTUS IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS TRANCHE I PROSPECTUS AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.**

**THE COMPANY HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS TRANCHE I PROSPECTUS. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGE WEBSITE WHERE THE NCDs ARE PROPOSED TO BE LISTED.**

**OUR COMPANY DECLARES THAT NOTHING IN THIS TRANCHE I PROSPECTUS IS CONTRARY TO THE PROVISIONS OF COMPANIES ACT, 2013 (18 OF 2013), THE SECURITIES CONTRACTS (REGULATION) ACT, 1956 AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES AND REGULATIONS MADE THEREUNDER.**

#### **Disclaimer statement from the Lead Managers**

**THE LEAD MANAGERS ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE SHELF PROSPECTUS AND THIS TRANCHE I PROSPECTUS OR IN ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE COMPANY AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.**

#### **Disclaimer in Respect of Jurisdiction**

**THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THE SHELF PROSPECTUS AND THIS TRANCHE I PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS**

**UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THE SHELF PROSPECTUS AND THIS TRANCHE I PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.**

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CARE Ratings Limited in its consent letter dated August 28, 2023 has stated the following:

*“We or our affiliates have no fiduciary relationship with the Company, and do not fall under Section 2(38) of the Companies Act, 2013. In issuing and maintaining its ratings, CARE relies on factual information it receives from issuers and underwriters and from other sources CARE believes to be credible. Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer. Ratings do not comment on the adequacy of market price, the suitability of any investment, loan or security for a particular investor (including without limitation, any accounting and/or regulatory treatment), or the tax-exempt nature or taxability of payments made in respect of any investment, loan or security. CARE is not your advisor, nor is CARE providing to you or any other party any financial advice, or any legal, auditing, accounting, appraisal, valuation or actuarial services. A rating should not be viewed as a replacement for such advice or services. Investors may find CARE ratings to be important information, and CARE notes that you are responsible for communicating the contents of this letter, and any changes with respect to the rating, to investors.”*

#### **Disclaimer clause of CRISIL Limited**

*“CRISIL Market Intelligence & Analytics (CRISIL MI&A), a division of CRISIL Limited (CRISIL) has taken due care and caution in preparing this report (Report) based on the Information obtained by CRISIL from sources which it considers reliable (Data). This Report is not a recommendation to invest / disinvest in any entity covered in the Report and no part of this Report should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. Piramal Enterprises Limited will be responsible for ensuring compliances and consequences of non-compliances for use of the Report or part thereof outside India. CRISIL MI&A operates independently of and does not have access to information obtained by CRISIL Ratings Limited, which may, in their regular operations, obtain information of a confidential nature. The views expressed in this Report are that of CRISIL MI&A and not of CRISIL Ratings Limited. No part of this Report may be published/reproduced in any form without CRISIL’s prior written approval.”*

#### **Appointment of Debenture Trustee**

The Company has appointed the Debenture Trustee in accordance with the terms of the Debenture Trustee Agreement.

The remuneration of the Debenture Trustee shall be as per the offer letter No. 54580/ITSL/OPR//23-24 dated 19 June 2023, as may be amended/modified from time to time.

#### **Debenture Trustee Agreement**

Our Company has entered into a Debenture Trustee Agreement with the Debenture Trustee which provides for, *inter alia*, the following terms and conditions:

The Debenture Trustee, either through itself or its agents / advisors / consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create

the security as stipulated in the Offer Documents (including each Tranche Prospectus) and applicable laws, has been obtained for each Tranche Issue. For the purpose of carrying out the due diligence as required in terms of applicable laws, the Debenture Trustee, either through itself or its agents/ advisors/ consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/ valuers/ consultants/ lawyers/ technical experts/ management consultants appointed by the Debenture Trustee;

1. Our Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by our Company or any other person, are registered / disclosed;
2. The Debenture Trustee shall have the power to either independently appoint, or direct our Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee and the Debenture Trustee shall subsequently form an independent assessment that the assets for creation of security are sufficient to discharge the outstanding amounts on NCDs at all times. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports / certificates / documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by our Company;
3. Our Company has undertaken to promptly furnish all and any information as may be required by the Debenture Trustee, including such information as required to be furnished in terms of the applicable laws and the Debenture Trust Deed on a regular basis; and
4. The Debenture Trustee, ipso facto does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the NCDs.

#### **Terms of carrying out due diligence**

As per the SEBI Master Circular for Debenture Trustees, the Debenture Trustee is required to exercise independent due diligence to ensure that the assets of the Issuer are sufficient to discharge the interest and principal amount with respect to the debt securities of the Issuer at all times.

Accordingly, the Debenture Trustee shall exercise due diligence as per the following process, for which our Company has consented to.

- (a) The Debenture Trustee, either through itself or its agents /advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the Offer Documents and the Applicable Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Applicable Laws, the Debenture Trustee, either through itself or its agents /advisors/consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical-experts/management consultants appointed by the Debenture Trustee.
- (b) The Company shall provide all assistance to the Debenture Trustee to enable verification from the registrar of companies, sub-registrar of assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets proposed to secure the NCDs, whether owned by the Company or any other person, are registered / disclosed.
- (c) Further, in the event that existing charge holders or the concerned trustee on behalf of the existing charge holders, have provided conditional consent / permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/ objections, if any.
- (d) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the NCDs, in accordance with the Applicable Laws.
- (e) The Debenture Trustee shall have the power to either independently appoint, or direct the Company to (after consultation with the Debenture Trustee) appoint, intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee and the Debenture Trustee shall subsequently form an independent assessment that the assets for creation of security

are sufficient to discharge the outstanding amounts on NCDs at all times. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

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

Due Diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations and circulars issued by SEBI from time to time.

#### **Other confirmations**

The Debenture Trustee undertakes that the NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and Registrar of Companies or CERSAI or depository, etc., as applicable, or is independently verifiable by the Debenture Trustee.

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with applicable law, including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Master Circular for Debenture Trustees .

**IDBI TRUSTEESHIP SERVICES LIMITED HAVE FURNISHED TO STOCK EXCHANGES DUE DILIGENCE CERTIFICATES DATED AUGUST 28, 2023 AND OCTOBER 16, 2023, AS PER THE FORMAT SPECIFIED IN SCHEDULE IV OF THE SEBI NCS REGULATIONS AND AS PER THE FORMAT SPECIFIED IN ANNEXURE IIA OF SEBI MASTER CIRCULAR FOR DEBENTURE TRUSTEES, RESPECTIVELY, WHICH READS AS FOLLOWS:**

- 1. WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS.**
- 2. ON THE BASIS OF SUCH EXAMINATION AND OF THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES AND ON INDEPENDENT VERIFICATION OF THE VARIOUS RELEVANT DOCUMENTS, WE CONFIRM THAT:**
  - A. THE ISSUER HAS MADE ADEQUATE PROVISIONS FOR AND / OR HAS TAKEN STEPS TO PROVIDE FOR ADEQUATE SECURITY FOR THE DEBT SECURITIES TO BE ISSUED AND LISTED.**
  - B. THE ISSUER HAS OBTAINED THE PERMISSIONS / CONSENTS NECESSARY FOR CREATING SECURITY ON THE SAID PROPERTY(IES).**
  - C. THE ISSUER HAS MADE ALL THE RELEVANT DISCLOSURES ABOUT THE SECURITY AND ALSO ITS CONTINUED OBLIGATIONS TOWARDS THE HOLDERS OF DEBT SECURITIES.**
  - D. ISSUER HAS ADEQUATELY DISCLOSED ALL CONSENTS / PERMISSIONS REQUIRED FOR CREATION OF FURTHER CHARGE ON ASSETS IN OFFER DOCUMENT AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT WITH RESPECT TO CREATION OF SECURITY ARE IN CONFIRMATION WITH THE CLAUSES OF DEBENTURE TRUSTEE AGREEMENT.**
  - E. ISSUER HAS DISCLOSED ALL COVENANTS PROPOSED TO BE INCLUDED IN DEBENTURE TRUST DEED (INCLUDING ANY SIDE LETTER, ACCELERATED PAYMENT CLAUSE ETC.), AND OFFER DOCUMENT**
  - F. ISSUER HAS GIVEN AN UNDERTAKING THAT CHARGE SHALL BE CREATED IN FAVOUR OF DEBENTURE TRUSTEE AS PER TERMS OF ISSUE BEFORE FILING OF LISTING APPLICATION**
  - G. ALL DISCLOSURES MADE IN THE DRAFT OFFER DOCUMENT WITH RESPECT TO THE DEBT SECURITIES ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL-INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE.**

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

## Debenture Trust Deed

Our Company and the Debenture Trustee will execute a Debenture Trust Deed specifying, inter alia, the powers, authorities and obligations of the Debenture Trustee and the Company, as per SEBI NCS Regulations applicable for the proposed NCD Issue.

## Track record of past public issues handled by the Lead Managers

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

Name of Lead Manager	Website
A. K. Capital Services Limited	<a href="http://www.akgroup.co.in">www.akgroup.co.in</a>
Nuvama Wealth Management Limited ( <i>formerly known as Edelweiss Securities Limited</i> )	<a href="http://www.nuvama.com">www.nuvama.com</a>
JM Financial Limited	<a href="http://www.jmfl.com">www.jmfl.com</a>
Trust Investment Advisors Private Limited	<a href="http://www.trustgroup.in">www.trustgroup.in</a>

## Listing

The NCDs proposed to be offered through this Tranche I Issue are proposed to be listed on BSE and NSE. An Application will be made to the BSE and NSE for permission to deal in and for official quotation in NCDs. BSE is the Designated Stock Exchange for the Issue.

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

Our Company shall ensure that all steps for the completion of the necessary formalities for listing are completed with five Working Days and commencement of trading at the Stock Exchanges mentioned above is taken within six Working Days from the date of closure of this Tranche I Issue.

Our Company shall pay interest at 15% (fifteen) per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within five Working Days of the Tranche I Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of such date, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies (Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

## Consents

Consents in writing of: (i) our Directors, (ii) Company Secretary and Compliance Officer, (iii) Chief Financial Officer, (iv) Key Managerial Personnel, (v) Lead Managers, (vi) the Registrar to the Issue, (vii) the Debenture Trustee to the Issue, (viii) Legal Counsel to the Issue, (ix) Credit Rating Agencies, (x) Consortium Members; (xi) Public Issue Account Bank, Refund Bank and Sponsor Bank; and (xii) CRISIL Limited; to act in their respective capacities, have been obtained and will be filed along with a copy of the Tranche I Prospectus with the RoC as required under Section 26 of the Companies Act, 2013. Further, such consents have not been withdrawn up to the time of delivery of this Tranche I Prospectus with the ROC.

## Expert Opinion

Except for the reports on Unaudited Financial Results, Audited Financial Statements FY 2023, Audited Financial Statements FY 2022, Audited Financial Statements FY 2021, our Company has not obtained any other expert opinion with respect to this Tranche I Prospectus.

Our Company has received the written consent dated August 28, 2023 from the Joint Statutory Auditors of our Company, namely M/s. Suresh Surana & Associates LLP and Bagaria & Co. LLP, to include their name as required under section 26(1) of the Companies Act, 2013 read with SEBI NCS Regulations, in this Tranche I Prospectus, and as an "expert" as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as our Joint Statutory Auditors, and in respect of audit reports on the Audited Financial Statements FY 2023, limited review report dated July 28, 2023, in relation to the Unaudited Financial Results and statement of possible tax benefits available to the debenture holders in the form and context in which they appear in this Tranche I Prospectus, and such consent has not been withdrawn as on the date of this Tranche I Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act, 1993.

Further, our Company has also received a written consent dated October 13, 2023 from Deloitte Haskins & Sells LLP, to include their name as the previous statutory auditors and an “expert” as defined under section 2(38) of the Companies Act, 2013, in respect of the Audited Financial Statements FY 2021 and the Audited Financial Statements FY 2022 and their auditors’ report thereon, in this Tranche I Prospectus and such consent has not been withdrawn as on the date of this Tranche I Prospectus. However, the term “expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act, 1993.

The above experts are not, and has not been, engaged or interested in the formation or promotion or management, of the Company and have given their written consent to the Company as stated in the paragraph above and has not withdrawn such consent before the filing of this Tranche I Prospectus with the RoC, Stock Exchanges and SEBI.

### **Common form of Transfer**

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

### **Minimum Subscription**

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue size i.e. ₹ 150 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue size, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the ASBA Accounts of the Applicants within eight Working Days from the Tranche I Issue Closing Date. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

### **Filing of the Draft Shelf Prospectus**

A copy of the Draft Shelf Prospectus has been filed with the Stock Exchanges in terms of Regulation 27 of the SEBI NCS Regulations for dissemination on their websites and SEBI. The Draft Shelf Prospectus has also been displayed on the website of the Company and the Lead Managers.

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

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

### **Debenture Redemption Reserve (“DRR”)**

In accordance with the Companies Act, 2013 and the Companies (Share Capital and Debentures) Rules 2014, any non-banking financial company that intends to issue debentures to the public is not required to create a DRR for the purpose of redemption of debentures.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Tranche I Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with this Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at fifteen percent of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

1. in deposits with any scheduled bank, free from any charge or lien;
2. in unencumbered securities of the Central Government or any State Government;
3. in unencumbered securities mentioned in sub-clause (a) to (d) and (ee) of section 20 of the Indian Trusts Act, 1882; and



4. in unencumbered bonds issued by any other company which is notified under sub-clause (f) of section 20 of the Indian Trusts Act, 1882.

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

#### **Recovery Expense Fund**

Our Company has created a recovery expense fund in the manner as specified in the SEBI Master Circular for Debenture Trustees and Regulation 11 of SEBI NCS Regulations and informed the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.

Kindly note, any default committed by the Company in terms of the NCDs proposed to be issued shall be reckoned at each respective International Securities Identification Number level assigned to the respective Option(s) of NCDs issued

#### **Issue related expenses**

The expenses for this Issue include, inter alia, lead management fees and selling commission to the Lead Managers, Consortium Members and intermediaries as provided for in the SEBI Master Circular, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, fees payable to sponsor bank, printing and distribution expenses, legal fees, advertisement expenses, listing fees and any other expense directly related to the Issue. The Issue expenses and listing fees will be paid by our Company. For details of this Tranche I Issue related expenses, see "*Objects of the Issue*" on page 49.

#### **Underwriting**

This Tranche I Issue will not be underwritten.

#### **Revaluation of Assets**

Our Company has not revalued its assets in the last three Fiscals.

#### **Reservation**

No portion of this Issue has been reserved.

#### **Utilization details regarding previous issues**

Our Company, Subsidiaries and Group Companies, as applicable, have issued non-convertible debentures by way of various private placements, for which, our Company and Subsidiaries have utilised the proceeds from such issuances in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued.

#### **Public / Rights Issues of Equity Shares in the last three years prior to this Tranche I Prospectus**

##### ***Public Issue undertaken by our Company***

Our Company has not undertaken any public issue of equity shares in last three years.

##### ***Rights Issue by our Company***

Other than as disclosed in the "*Capital Structure*" section of the Shelf Prospectus, our Company has not undertaken rights issue of equity shares in the last three years.

##### ***Previous Public Issues of Non - Convertible Debenture by our Company***

Our Company has not made any previous public issues of non - convertible debentures in the last three years.

##### ***Private placements by our Company***

Please see below the details of any private placements undertaken by our Company in the three years prior to the date of this Tranche I Prospectus:

ISIN	Date of Opening	Date of Closing	Total issue size (in ₹ crores)*	Total value of NCDs allotted (in ₹ crores)	Date of allotment	Objects of the issue	Utilisation of proceeds
INE140A07625	August 28, 2020	August 28, 2020	75.00	50.00	August 31, 2020	For short term working capital requirement, as well as for regular business activities.	The company utilized the proceeds of the issue solely for meeting the objects of the issue.
INE140A07633	June 28, 2021	June 28, 2021	900.00	365.00	June 28, 2021	The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): * for general corporate purposes of the issuer; and * for repaying existing debt; The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.	The proceeds were utilised for meeting the objects of the issue.
INE140A07633	July 5, 2021	July 5, 2021	585.00	125.00	July 5, 2021	The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): * for general corporate purposes of the issuer; and * for repaying existing debt; The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.	The proceeds were utilised for meeting the objects of the issue.
INE140A07641	July 12, 2021	July 12, 2021	200.00	102.00	July 12, 2021	The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): * for general corporate purposes of the issuer; and * for repaying existing debt; The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.	The proceeds were utilised for meeting the objects of the issue.
INE140A07658	September 27, 2021	September 27, 2021	400.00	400.00	September 27, 2021	The funds raised through this issue, after meeting the expenditures of and related to the issue will be utilized for one or more of the following purposes: * for general corporate purpose of the Issuer * for repaying / prepaying of existing borrowings including interest The issue proceeds of the debentures will not be used for any purpose, which may be in contravention of the Government / RBI / SEBI / other regulatory guidelines. The main objects clause of the Memorandum of Association of the company permits the company to undertake the activities for which the funds are being raised through the present issue and the activities, which the Company has been carrying on till date. Pending full utilization of issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.	The proceeds were utilised for meeting the objects of the issue.
INE140A07666	March 2, 2022	March 2, 2022	500.00	125.00	March 2, 2022	The funds raised through this issue, after meeting the expenditures of and related to the issue will be utilized for one or more of the following purposes: * for general corporate purpose of the Issuer * for repaying / prepaying of existing borrowings including interest	The proceeds were utilised for meeting the objects of the issue.

ISIN	Date of Opening	Date of Closing	Total issue size (in ₹ crores)*	Total value of NCDs allotted (in ₹ crores)	Date of allotment	Objects of the issue	Utilisation of proceeds
						<p>The issue proceeds of the debentures will not be used for any purpose, which may be in contravention of the Government / RBI / SEBI / other regulatory guidelines.</p> <p>The main objects clause of the Memorandum of Association of the company permits the company to undertake the activities for which the funds are being raised through the present issue and the activities, which the Company has been carrying on till date.</p> <p>Pending full utilization of issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.</p>	
INE140A 07666	March 28, 2022	March 28, 2022	375.00	175.00	March 28, 2022	<p>The funds raised through this issue, after meeting the expenditures of and related to the issue will be utilized for one or more of the following purposes:</p> <ul style="list-style-type: none"> <li>* for general corporate purpose of the Issuer</li> <li>* for repaying / prepaying of existing borrowings including interest</li> </ul> <p>The issue proceeds of the debentures will not be used for any purpose, which may be in contravention of the Government / RBI / SEBI / other regulatory guidelines.</p> <p>The main objects clause of the Memorandum of Association of the company permits the company to undertake the activities for which the funds are being raised through the present issue and the activities, which the Company has been carrying on till date.</p> <p>Pending full utilization of issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.</p>	The proceeds were utilised for meeting the objects of the issue.
INE140A 07674	May 4, 2022	May 4, 2022	700.00	100.00	May 4, 2022	<p>The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue):</p> <ul style="list-style-type: none"> <li>* Not more than 20% for general corporate purposes of the issuer; and</li> <li>* At least 80% for repaying/ prepayment/ refinance of existing debt;</li> </ul> <p>The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines.</p> <p>Pending full utilization of issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.</p>	The proceeds were utilised for meeting the objects of the issue.
INE140A 07682	May 24, 2022	May 24, 2022	600.00	100.00	May 24, 2022	<p>The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): Not more than 20% for general corporate purposes of the issuer; and, at least 80% for repayment/prepayment/refinance of existing debt;</p> <p>The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.</p>	The proceeds would be utilised for meeting the objects of the issue.
INE140A 07682	July 15, 2022	July 15, 2022	500.00	70.00	July 15, 2022	<p>The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): Not more than 20% for general corporate purposes of the issuer; and, at least 80% for repayment/prepayment/refinance of existing debt;</p> <p>The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of issue proceeds, the issuer shall be entitled to invest the</p>	The proceeds were utilised for meeting the objects of the issue.

ISIN	Date of Opening	Date of Closing	Total issue size (in ₹ crores)*	Total value of NCDs allotted (in ₹ crores)	Date of allotment	Objects of the issue	Utilisation of proceeds
						issue proceeds in money market instruments, mutual funds and deposits with banks.	
INE140A07682	August 2, 2022	August 2, 2022	175.00	75.00	August 2, 2022	The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): <ul style="list-style-type: none"> <li>• Not more than 20% for general corporate purposes of the issuer; and</li> <li>• At least 80% for repayment/prepayment/refinance of existing debt; The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of Issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.</li> </ul>	The proceeds were utilised for meeting the objects of the issue.
INE140A07690	September 20, 2022	September 20, 2022	750.00	215.00	September 20, 2022	The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): <ul style="list-style-type: none"> <li>• Not more than 20% for general corporate purposes of the issuer; and</li> <li>• At least 80% for repayment/prepayment/refinance of existing debt; The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of Issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.</li> </ul>	The proceeds were utilised for meeting the objects of the issue.
INE140A07708	September 23, 2022	September 23, 2022	750.00	50.30	September 23, 2022	The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): <ul style="list-style-type: none"> <li>• Not more than 20% for general corporate purposes of the issuer; and</li> <li>• At least 80% for repayment/prepayment/refinance of existing debt; The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of Issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.</li> </ul>	The proceeds were utilised for meeting the objects of the issue.
INE140A07716	November 7, 2022	November 7, 2022	1,000.00	1,000.00	November 7, 2022	100% (one hundred percent) of the proceeds of the Issue shall be utilised by the Company, subject to applicable law, towards on lending to grow the asset book (including purchase of retail loan assets from Piramal Capital & Housing Finance Limited). The Company shall ensure that the proceeds of the issue are: <ol style="list-style-type: none"> <li>used in compliance with the applicable guidelines issued by Reserve Bank of India including Master Circular on Bank Finance to Non-Banking Financial Companies dated April 1, 2022, as amended from time to time;</li> <li>not permitted to be utilized towards activities like investment in capital markets, real estate, acquisition or purchase of land or for refinancing of debt which was used for the said purpose.</li> </ol>	The proceeds were utilised for meeting the objects of the issue.
INE140A07708	November 9, 2022	November 9, 2022	650.00	50.50	November 9, 2022	The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): <ul style="list-style-type: none"> <li>• Not more than 20% for general corporate purposes of the issuer; and</li> <li>• At least 80% for repayment/prepayment/refinance of existing debt; The proceeds of the issue will not be used for any purpose, which may be in contravention of the</li> </ul>	The proceeds were utilised for meeting the objects of the issue.

ISIN	Date of Opening	Date of Closing	Total issue size (in ₹ crores)*	Total value of NCDs allotted (in ₹ crores)	Date of allotment	Objects of the issue	Utilisation of proceeds
						Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of Issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.	
INE140A 07682	December 1, 2022	December 1, 2022	250.00	100.00	December 1, 2022	The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): <ul style="list-style-type: none"> <li>• Not more than 20% for general corporate purposes of the issuer; and</li> <li>• At least 80% for repayment/prepayment/refinance of existing debt; The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of Issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.</li> </ul>	The proceeds were utilised for meeting the objects of the issue.
INE140A 07724	January 31, 2023	January 31, 2023	500.00	500.00	January 31, 2023	100% (one hundred percent) of the proceeds of the Issue shall be utilised by the Company, subject to applicable law, towards on lending (including purchase of retail loan assets from Piramal Capital & Housing Finance Limited) to grow the asset book in compliance or for other business activities of the Company including refinancing of existing debt (other than any existing debt availed by the Company from lenders of the existing debt or its affiliates) or debt repayment. The Company shall ensure that the proceeds of the Issue are: <ol style="list-style-type: none"> <li>used in compliance with the applicable guidelines issued by Reserve Bank of India including Master Circular on Bank Finance to Non-Banking Financial Companies dated April 1, 2022, as amended from time to time;</li> <li>not permitted to be utilized towards activities like investment in capital markets, real estate, acquisition or purchase of land, speculative purposes or for refinancing of debt which was used for the said purpose.</li> </ol>	The proceeds were utilised for meeting the objects of the issue.
INE140A 07732	March 9, 2023	March 9, 2023	600.00	100.00	March 10, 2023	The proceeds of the issuance will be utilized for one or more of the following purposes (after meeting the expenses related to the issue): <ul style="list-style-type: none"> <li>• At least 80% for onward lending /repayment/prepayment/refinance of existing debt; And</li> <li>• Not more than 20% for general corporate purposes of the Issuer;</li> </ul> The proceeds of the issue will not be used for any purpose, which may be in contravention of the Governmental / RBI / SEBI / other regulatory guidelines. Pending full utilization of issue proceeds, the issuer shall be entitled to invest the issue proceeds in money market instruments, mutual funds and deposits with banks.	The proceeds were utilised for meeting the objects of the issue.

\* Issue size includes green shoe option, wherever applicable

*PHL FinInvest Limited (merged with our Company pursuant to the Scheme)*

ISIN	Date of Opening	Date of Closing	Total issue size (in crores)*	Total value of NCDs allotted (in Crs)	Date of allotment	Objects of the issue	Utilisation of proceeds
INE02L M07048	August 12, 2020	August 12, 2020	40.00	40.00	August 13, 2020	The funds raised through the issue, after meeting the expenditures of and related to the issue, will be used for our various financing activities, repay the existing loans and for their business operations. The main objects clause of the memorandum of association of the company permits the company to undertake the activities for which the funds are	The proceeds were utilized for meeting the object of the issue.

ISIN	Date of Opening	Date of Closing	Total issue size (in crores)*	Total value of NCDs allotted (in Crs)	Date of allotment	Objects of the issue	Utilisation of proceeds
						being raised through the present issue and also the activities which the company has been carrying on till date.	
INE02LM07055	December 12, 2020	December 15, 2020	1,400.00	1,400.00	December 15, 2020	<p>The proceeds of this issue shall be utilized for repayment of existing financial indebtedness, general corporate purpose and payment of fees and expenses related to this issuance.</p> <p>Funds raised by the issue shall not, directly or indirectly, be used for:</p> <ul style="list-style-type: none"> <li>(i) investment in capital markets (shares, debentures or any other instrument which qualifies as a capital market instrument);</li> <li>(ii) acquisition of land;</li> <li>(iii) the business of chit funds or Nidhi company;</li> <li>(iv) agricultural or plantation activities;</li> <li>(v) real estate business or construction of farm houses;</li> <li>(vi) trading in transferable development rights (TDRs);</li> <li>(vii) acquiring shares of Indian companies; or</li> <li>(viii) any other purpose which is prohibited under applicable law (including, but not limited to environmental or social laws and any regulations, guidelines or directions issued by the RBI in respect of loans and advances by banks and/or any illegal activity)</li> <li>(ix) refinancing any loans or non-convertible debentures proceeds of which were utilised for any of the activities listed under paragraphs (i) to (viii) above.</li> </ul>	The proceeds were utilized for meeting the object of the issue.
INE02LM07063	January 28, 2021	January 29, 2021	350.00	350.00	January 29, 2021	<p>The proceeds of the issue shall be utilized for repayment of existing financial indebtedness, general corporate purpose and payment of fees and expenses related to the issuance.</p> <p>Funds raised by the issue shall not, directly or indirectly, be used for:</p> <ul style="list-style-type: none"> <li>(i) investment in capital markets (shares, debentures or any other instrument which qualifies as a capital market instrument);</li> <li>(ii) acquisition of land;</li> <li>(iii) the business of chit funds or Nidhi company;</li> <li>(iv) agricultural or plantation activities;</li> <li>(v) real estate business or construction of farm houses;</li> <li>(vi) trading in transferable development rights (TDRs);</li> <li>(vii) acquiring shares of Indian companies; or</li> <li>(viii) any other purpose which is prohibited under applicable law (including, but not limited to environmental or social laws and any regulations, guidelines or directions issued by the RBI in respect of loans and advances by banks and/or any illegal activity)</li> <li>(ix) refinancing any loans or non-convertible debentures proceeds of which were utilised for any of the activities listed under paragraphs (i) to (viii) above.</li> </ul>	The proceeds were utilized for meeting the object of the issue.

\* Issue size includes green shoe option, wherever applicable

#### **Utilisation details of previous issues of our Company**

The proceeds from the previous issuance of non-convertible debentures by the Company have been and/or are being utilized in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued which include, inter alia, to augment long-term resources of the Company, for on-lending and for general corporate purposes in accordance with the object clause of the Memorandum of Association of the Company.

#### **Public Issue undertaken by our Group Companies**

Our Group Companies have not undertaken any public issue of equity shares in the last three years.

### ***Rights Issue by our Group Companies***

Except as disclosed below, our Group Companies have not undertaken any listed rights issue of equity shares in the last three years.

#### ***Piramal Pharma Limited***

<b>Date of Opening</b>	<b>Date of Closing</b>	<b>Total issue size (in ₹ crores)</b>	<b>Total value of equity shares allotted (in ₹ crores)</b>	<b>Date of allotment</b>	<b>Objects of the issue</b>	<b>Utilization of proceeds</b>
August 8, 2023	August 17, 2023	1,050.00	1,049.80	August 22, 2023	Repayment or prepayment, in full or in part, of certain borrowings availed by our Company; General corporate purposes	The proceeds will be utilized for meeting the objects of the issue.

\*Piramal Pharma Limited allotted abeyance shares amounting to ₹ 20,27,592 pursuant to the rights issue on August 27, 2023, which were credited on October 3, 2023.

### ***Previous Public Issues of Non - Convertible Debenture by our Group Companies***

Our Group Companies has not made any previous public issues of non - convertible debentures in the last three years.

#### ***Private placements by our Group Companies***

Except as disclosed below, our Group Companies have not undertaken any private placements of listed equity shares/ non-convertible debentures during the three years prior to the date of this Tranche I Prospectus.

#### ***Piramal Pharma Limited***

#### **Non-convertible debentures**

<b>ISIN</b>	<b>Date of Opening</b>	<b>Date of Closing</b>	<b>Total issue size (in ₹ crores)</b>	<b>Total value of NCDs allotted (in ₹ crores)</b>	<b>Date of allotment</b>	<b>Objects of the issue</b>	<b>Utilisation of proceeds</b>
INE0DK5 07018	May 06, 2021	May 06, 2021	200.00	200.00	May 7, 2021	Long Term Working Capital	The proceeds were utilized for meeting the objects of the issue.
INE0DK5 07026	September 23, 2022	September 23, 2022	100.00	100.00	September 28, 2022	The funds raised from the Issue are being disbursed partly as reimbursement of Capex already incurred in FY23 and for Future Capex requirement, each in compliance with the provisions of the applicable law.	The proceeds were utilized for meeting the objects of the issue.
INE0DK5 07034	September 30, 2022	September 30, 2022	100.00	100.00	October 3, 2022	Not more than 20% for general corporate purposes of the Issuer; and At least 80% for repayment/prepayment/refinance of existing debt	The proceeds were utilized for meeting the objects of the issue.

### **Utilisation details of previous issues by our Group Companies**

The proceeds from the previous issuance of listed non-convertible debentures by the Group Companies have been and/or are being utilized in accordance with the use of proceeds set out in the respective offer documents and/or information memorandums under which such non-convertible debentures were issued.

## Benefit/ interest accruing to Promoter/ Directors out of the Object of the Issue

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

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

There are no public or rights or composite issue of capital by listed companies under the same management within the meaning of Section 370(1) (B) of the Companies Act, 1956 during the last three years.

## Utilisation of proceeds of this Issue by our Group Companies

No proceeds of the Issue will be paid to our Group Companies.

## Default in payment

In case of default (including delay) in payment of interest and/ or redemption of principal on the due dates for debt securities issued on private placement or public issue, additional interest of at least 2% p.a. over the coupon rate shall be payable by the issuer for the defaulting period.

## Delay in listing

There has been no delay in the listing of any non-convertible securities issued by our Company..

## Details regarding lending out of issue proceeds of previous issues of debt securities (whether public issue or private placement)

### Lending Policy

For lending policy in relation to each of the products of our Company, please see section titled “Our Business” on page 136 of the Shelf Prospectus.

### Loans given by our Company

The Company has not provided any loans/advances to associates, entities / persons related to the Board, Key Managerial Personnel, Senior Management or our Promoter out of the proceeds of previous private placements of debentures.

### Summary of the key terms and conditions of the term loans

Nil

### Types of loans

#### Classification of loans/advances given

The detailed breakup of the types of loans given by the Company as on March 31, 2023 is as follows:

Sl. No.	Type of loans	AUM (in ₹ crore)	AUM (in %)
1.	Secured Loan Book	8,014.91	59.10
2.	Unsecured Loan Book	1,601.22	11.81
3.	Investments Book and Others*	3,945.08	29.09
	<b>Total assets under management (AUM)</b>	<b>13,561.21</b>	<b>100.00</b>

\* Others refers to differences on account of approximation and rounding-off

Denomination of loans outstanding by loan to value as on March 31, 2023\*:

Sl. No.	LTV (at the time of origination)	Outstanding amount (in ₹ crores)	(in %)
1.	Upto 40%	497.24	17.95
2.	40-50%	345.73	12.48
3.	50-60%	349.98	12.63
4.	60-70%	321.28	11.60
5.	70-80%	79.86	2.88
6.	Above 80%	92.94	3.35
7.	Others <sup>#</sup>	1,083.72	39.11
	<b>Total</b>	<b>2,770.76</b>	<b>100.00</b>



\* For retail loans

# Refers to other cases which cannot be confirmed due to system migration

### Sectoral Exposure

The sectoral exposure of loans given by the Company as on March 31, 2023 is as follows:

Sl. No.	Segment-wise gross break-up of AUM	Percentage of AUM
<b>1.</b>	<b>Retail</b>	<b>20.43%</b>
A.	Mortgages (home loans and loans against property)	6.40%
B.	Gold loans	0.00%
C.	Vehicle finance	1.30%
D.	MFI	4.50%
E.	MSME	7.67%
F.	Capital market funding (loans against shares, margin funding)	0.00%
G.	Others	0.56%
<b>2.</b>	<b>Wholesale</b>	<b>50.52%</b>
A.	Real Estate	30.75%
B.	Hotels and restaurants	8.36%
C.	Others	4.47%
D.	Renewables	1.60%
E.	Logistics	0.95%
F.	Investment company	0.74%
G.	Auto ancillary	0.74%
H.	Education	0.59%
I.	NBFCs	1.98%
J.	Warehousing	0.33%
K.	<b>Investment Book</b>	<b>29.05%</b>
	<b>Total</b>	<b>100.00%</b>

Denomination of loans outstanding by ticket size as on March 31, 2023:

Sl. No.	Ticket size (at the time of origination)	Percentage of AUM
1.	Upto ₹ 10 lakh	9.28%
2.	₹ 10-20 lakh	3.56%
3.	₹ 20 - 40 lakh	2.61%
4.	₹ 40 - 60 lakh	1.32%
5.	₹ 60 lakh - 1 crore	1.30%
7.	>₹ 1 crore	81.93%
	<b>Total</b>	<b>100.00%</b>

Geographical classification of borrowers as on March 31, 2023:

Sl. No.	Top 5 states	Percentage of AUM
1.	Maharashtra	37.96%
2.	Karnataka	21.21%
3.	Delhi	14.68%
4.	Tamil Nadu	10.46%
5.	Gujarat	2.99%
6.	Others	12.70%
	<b>Total</b>	<b>100.00%</b>

Aggregated exposure to top 20 borrowers with respect to concentration of advances as on March 31, 2023

Particulars	Details
Total advances to twenty largest borrowers (in ₹ crores)*	5,126.34
Percentage of advances to twenty largest borrowers to total advances (in %)	50.57

\* Includes loans and investments at amortised cost

**Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2023**

Particulars	Details
Total exposures to twenty largest borrowers (in ₹ crore)*	6,023.53
Percentage of exposures to twenty largest borrowers to Total Advances (in %)	53.82

\* Includes loans, investments, capital commitments and letter of comfort

**Details of loans overdue and classified as non – performing in accordance with the RBI guidelines as on March 31, 2023**

Movement of gross NPAs	Amount (in ₹ crore)
Opening gross NPA – April 1, 2022	1,016.17
- Additions during the year	988.36
- Reductions during the year	1,494.00
Closing balance of gross NPA - March 31, 2023	511.53

Movement of provisions for NPAs (excluding provision on standalone assets)	Amount (in ₹ crore)
Opening balance – April 1, 2022	588.93
- Provisions made during the year	727.08
- Write-off/ write-back of excess provisions made during the year	1,027.95
Closing balance - March 31, 2023	288.06

**Segment–wise gross NPA as on March 31, 2023**

S. No	Segment- wise breakup of gross NPAs	Gross NPA (%)
<b>1.</b>	<b>Retail</b>	<b>0.05%</b>
A.	Mortgages (Home loans and loans against property)	0.00%
B.	Gold Loans	0.00%
C.	Vehicle Finance	0.00%
D.	MFI	0.00%
E.	M&SME	0.00%
F.	Capital market funding (Loans against shares, Margin funding)	0.00%
G.	Others	0.05%
<b>2</b>	<b>Wholesale</b>	<b>4.52%</b>
A.	Infrastructure	0.00%
B.	Real estate (including builder loans)	4.52%
C.	Promoter funding	0.00%
D.	Any other sector (as applicable)	0.00%
E.	Others	0.00%
	<b>TOTAL</b>	<b>4.57%</b>

**Details of any other contingent liabilities of the issuer based on last audited financial statements including amount and nature of liability**

Particulars	As on 31 March 2023 (in ₹ crores)
<b>A. Contingent Liabilities:</b>	
<b>1. Claim against the Group not acknowledged as debt</b>	
- Others	9.61
<b>2. Others</b>	
i. Appeals filed in respect of disputed demands:	
Income Tax	
- where the Group is in appeal	408.90
- where the department is in appeal	321.05
Sales Tax	9.73
Central / State Exercise / Service Tax / Customs	61.83
Labour Matters	0.41
Stamp Duty	9.37
Legal Cases	17.97
ii. Guarantees provided by bank on behalf of Group	117.00
<i>Note: Future cash outflows in respect of 1 and 2(i) above are determinable only on receipt of judgments/decisions pending with various forums/authorities.</i>	
<b>B. Commitments:</b>	

Particulars	As on 31 March 2023
	(in ₹ crores)
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for	207.01
(b) Other commitments	20.76

### Promoter Shareholding

Please see “Capital Structure” beginning on page 62 of the Shelf Prospectus for details with respect to Promoter shareholding in our Company as of September 30, 2023.

### Residual maturity profile of assets and liabilities as on March 31, 2023 (in ₹ crore)

Particulars	Up to 30/31 days	> 1 month - 2 months	> 2 month - 3 months	> 3 month - 6 months	> 6 month - 1 Year	> 1 Year - 3 Years	> 3 Years - 5 Years	> 5 Years	Total
Deposit	-	-	-	-	-	-	-	-	-
Advances/Inflows	152.52	113.59	185.21	544.54	1,093.87	3,575.14	1,617.07	1,893.76	9,175.70
Investments	2,019.37	1,282.86	1,388.66	324.56	2,572.26	1,303.96	435.60	11,155.63	20,482.90
Borrowings	368.30	643.38	954.05	613.64	4,273.51	1,555.26	307.12	-	8,715.26
Foreign Currency Assets	49.41	49.41	49.41	-	-	-	-	-	148.23
Foreign Currency Liabilities	-	-	-	-	-	-	-	-	-

#### Notes:

- Amount disclosed represents the amortised cost of the instruments as per Ind AS, as given in Note 2 (ii) of the standalone financial statements.
- Amount disclosed represents the amortised cost of loans and advances (Net of ECL) and Investments and fair value in case of FVTPL Loans and Advances as per Ind AS, as given in Note 2 (ii) & (iii) of the standalone financial statements.
- NCD forming part of Investments schedules are in the nature of Loans and Advances, and covered in Advances above
- Includes Assets held for Sale and Investment Property.

In case the issuer is a NBFC or HFC or PFI and the objects of the public issue entail loan to any entity which is a ‘Group Company’, then disclosures shall be made in the following format:

Sr. No.	Name of Borrower	Amount of Advance/ exposure to such borrower (Group Company) (₹ in crores) (A)	Percentage of Exposure = (A/ Total AUM)
1.	NA	NA	NA

The disclosure above is not applicable to our Company as the objects of the public issue do not entail loan to any entity which is a Group Company.

### Statement of capitalization (Debt to Equity Ratio) of our Company – Consolidated

(₹ in crores, except debt/ equity ratio)

Particulars	Pre-Issue as at March 31, 2023	Post Issue as Adjusted *
<b>Debt</b>		
Debt Securities & Subordinated Liabilities	29,973.05	30,973.05
Borrowings (Other than Debt Securities)	19,609.76	19,609.76
<b>Total Debt (A)</b>	<b>49,582.81</b>	<b>50,582.81</b>
<b>Equity</b>		
Equity Share Capital	47.73	44.93
Other Equity	31,011.35	28,846.02
<b>Total Equity (B)</b>	<b>31,059.08</b>	<b>28,890.95</b>
<b>Debt/ Equity (C= A/B) (in times)</b>	<b>1.60</b>	<b>1.75</b>

\* The post issue Debt and Equity is only adjusted for the Issue and buy-back amount (including tax on buy-back of shares and buy-back issue expenses) and has not been adjusted for any other events occurring after March 31, 2023 such as dividend payments and any movement in borrowing or changes in Other Equity (other than on account of buy-back) post March 31, 2023. The debt-equity ratio post Issue is indicative on account of the assumed inflow of ₹ 1,000 crores from the proposed Tranche I Issue. As stated above, the actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

## Statement of capitalization (Debt to Equity Ratio) of our Company – Standalone

(₹ in crores, except debt/ equity ratio)

Particulars	Pre-Issue as at March 31, 2023	Post Issue as Adjusted *
<b>Debt</b>		
Debt Securities & Subordinated Liabilities	4,322.18	5,322.18
Borrowings (Other than Debt Securities)	4,393.08	4,393.08
<b>Total Debt (A)</b>	<b>8,715.26</b>	<b>9,715.26</b>
<b>Equity</b>		
Equity Share Capital	47.73	44.93
Other Equity	23,986.73	21,821.40
<b>Total Equity (B)</b>	<b>24,034.46</b>	<b>21,866.33</b>
<b>Debt/ Equity (C= A/B) (in times)</b>	<b>0.36</b>	<b>0.44</b>

\*The post issue Debt and Equity is only adjusted for the Issue and buy-back amount (including tax on buy-back of shares and buy-back issue expenses) and has not been adjusted for any other events occurring after March 31, 2023 such as dividend payments and any movement in borrowing or changes in Other Equity (other than on account of buy-back) post March 31, 2023. The debt-equity ratio post Issue is indicative on account of the assumed inflow of ₹ 1,000 crores from the proposed Tranche I Issue. As stated above, the actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Deemed Date of Allotment.

### Jurisdiction

Non-exclusive jurisdiction for the purpose of the Issue is with the competent courts of jurisdiction in Mumbai, India.

### Commission or Brokerage on Previous Issues

This is the maiden public issue of NCDs by the Company. Hence no commission has been paid in relation to any public issue of the NCDs.

### Refusal of listing of any security of the issuer during last three financial years and the current financial year by any of the stock exchanges in India or abroad

There has been no refusal of listing of any security of our Company during the last three financial years and the current financial year by any Stock Exchange in India.

### Mechanism for redressal of investor grievances

Link Intime India Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints.

The Registrar Agreement dated August 28, 2023 between the Registrar to the Issue and our Company provides for settling of investor grievances in a timely manner and for retention of records with the Registrar to the Issue for a period of eight years from the last date of dispatch of the Allotment Advice, demat credit and refund through unblocking to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue and Compliance Officer giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on Application and the details of Member of Syndicate or Trading Member of the Stock Exchanges where the Application was submitted.

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

Additionally, all grievances related to UPI process may be addressed to the Stock Exchanges which shall be responsible for addressing investor grievances arising from applications submitted online through the app based/ web interface platform of the Stock Exchanges or through its Trading Members. Further, in accordance with the Debt UPI Circular, the Designated Intermediaries shall be responsible for addressing any investor grievances arising from the Applications uploaded by them in respect of quantity, price or any other data entry or other errors made by them.

The Registrar shall endeavour to redress complaints of the investors within seven (7) days of receipt of the complaint and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the

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

#### Registrar to the Issue



Logo:

**Name:** Link Intime India Private Limited

**Address:** C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India

**Tel:** +91 8108114949

**Facsimile:** +91 22 4918 6195

**Email:** [pe.l.ncd@linkintime.co.in](mailto:pe.l.ncd@linkintime.co.in)

**Investor Grievance Email:** [pe.l.ncd@linkintime.co.in](mailto:pe.l.ncd@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Contact Person:** Mr. Sumeet Deshpande

**SEBI Registration No.:** INR000004058

**CIN:** U67190MH1999PTC118368

#### Contact Details of the Company

**Contact Person:** Bipin Singh, Company Secretary and Compliance Officer for this Issue

**Address:** Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai 400 070

**Tel:** 022 3802 3805

**Email:** [bipin.singh@piramal.com](mailto:bipin.singh@piramal.com)

#### Change in Auditors of our Company during the last three financial years and the current financial year

Except as disclosed below, there has been no changes in the statutory auditor of our Company:

Name of the Auditor	Address	Date of Appointment	Date of cessation if applicable	Date of Resignation if applicable
M/s. Suresh Surana & Associates LLP	308-309, Technopolis Knowledge Park, Mahakali Caves Road, Andheri (E), Mumbai – 400 093	July 29, 2022	-	-
Bagaria & Co LLP	701, Stanford, Junction of S.V.Road & Barfiwala Marg, Andheri (W), Mumbai - 400058	December 11, 2022	-	-
M/s. Deloitte Haskins & Sells LLP	One International Center Tower 3, 27 <sup>th</sup> -32 <sup>nd</sup> Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai – 400 013, Maharashtra, India	August 1, 2017	July 29, 2022	-

#### Auditor’s Remarks or Emphasis of Matter by Auditors

Except as disclosed in “*Risk Factors*” and “*Outstanding Litigations and Defaults*” of the Shelf Prospectus, there are no reservations or qualifications or adverse remarks in the financial statements and financial position of our Company in the last three Fiscals and the current financial year immediately preceding this Tranche I Prospectus.

#### Trading

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

#### Disclaimer statement from our Company, our Directors and the Lead Managers

Investors who make an Application in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Managers and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the NCDs and will not issue, sell, pledge, or transfer the NCDs to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to

acquire the NCDs. Our Company, the Lead Managers and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the NCDs being offered in the Issue.

### Impersonation

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

“Any person who:

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

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

### Latest ALM statement

The following table describes the standalone ALM (on a provisional basis as submitted to the Stock Exchanges) of our Company as on September 30, 2023:

<i>(in ₹ crores)</i>									
Provisional nos. in ₹ crores	Upto 1 Month	Over 1 Month upto 2 Months	Over 2 Months upto 3 Months	Over 3 Months upto 6 Months	Over 6 Months upto 12 Months	Over 1 Year upto 3 Years	Over 3 Year upto 5 Years	Over 5 Years	Total
Borrowings	561.00	1,061.00	525.44	1,091.26	1,132.85	1,771.95	1,002.38	640.00	7,785.88
Other Liabilities	232.73	100.09	82.58	257.28	733.22	850.27	299.41	407.28	2,962.86
Equity	-	-	-	-	-	-	-	21,797.23	21,797.23
<b>Total</b>	793.73	1,161.09	608.02	1,348.54	1,866.07	2,622.22	1,301.79	22,844.51	32,545.97
<b>Assets</b>									
Cash & Bank Balances	1,223.29	0.51	0.03	-	-	1.18	-	152.29	1,377.30
Investments	62.53	-	60.83	749.94	2,546.95	1,319.46	176.61	10,036.31	14,952.63
Loans & Advances	230.58	202.58	355.67	680.15	1,686.55	4,860.17	1,732.15	1,783.81	11,531.66
Fixed Assets	-	-	-	-	-	-	-	29.08	29.08
Other Assets	366.88	117.02	132.60	304.61	924.05	2,639.25	689.64	2,004.03	7,178.08
<b>Total</b>	1,883.28	320.11	549.13	1,734.70	5,157.55	8,820.06	2,598.40	14,005.52	35,068.75
Mismatch	1,089.55	-840.98	-58.89	386.16	3,291.48	6,197.84	1,296.61	- 8,838.99	2,522.78
Cumulative Mismatch	1,089.55	248.57	189.68	575.84	3,867.32	10,065.16	11,361.77	2,522.78	2,522.78

## SECTION III – ISSUE RELATED INFORMATION

### ISSUE STRUCTURE

The following are the key terms of the NCDs. This section should be read in conjunction with and is qualified in its entirety by more detailed information in “*Terms of the Issue*” beginning on page 83.

The NCDs being offered as part of the Issue are subject to the provisions of the SEBI NCS Regulations, SEBI Master Circular, the Listing Agreement, SEBI Listing Regulations, and the Companies Act, 2013, the RBI Act, the terms of the Shelf Prospectus, this Tranche I Prospectus, the Application Form, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, and other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, RBI, the Government of India, and other statutory/regulatory authorities relating to the offer, issue and listing of NCDs and any other documents that may be executed in connection with the NCDs.

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

<b>Issuer</b>	Piramal Enterprises Limited
<b>Type of instrument</b>	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
<b>Nature of the Instrument</b>	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
<b>Mode of the Issue</b>	Public Issue
<b>Mode of Allotment*</b>	In dematerialised form
<b>Mode of Trading*</b>	NCDs will be traded in dematerialised form
<b>Lead Managers</b>	A. K. Capital Services Limited, JM Financial Limited, Nuvama Wealth Management Limited ( <i>formerly known as Edelweiss Securities Limited</i> ) and Trust Investment Advisors Private Limited
<b>Debenture Trustee</b>	IDBI Trusteeship Services Limited
<b>Depositories</b>	NSDL and CDSL
<b>Registrar to this Tranche I Issue</b>	Link Intime India Private Limited
<b>Tranche I Issue</b>	Public issue by the Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each (“NCDs” or “Debentures”) for an amount of ₹ 200 crore (“ <b>Base Issue Size</b> ”) with an option of oversubscription up to an amount of ₹ 800 crore amounting to ₹ 1,000 crore (“ <b>Tranche I Issue</b> ”) which is within the shelf limit of ₹3,000 crore and is being offered by way of this Tranche I Prospectus containing inter alia the terms and conditions of Tranche I issue, which should be read together with the Shelf Prospectus
<b>Base Issue Size</b>	₹ 200 crores
<b>Option to Retain Oversubscription / Green shoe option (Amount)</b>	₹ 800 crores.
<b>Tranche I Issue Size</b>	₹ 1,000 crores
<b>Minimum Subscription</b>	In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue size i.e. ₹ 150 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue size, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the ASBA Accounts of the Applicants within eight Working Days from the Tranche I Issue Closing Date. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15% per annum for the delayed period.  Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.
<b>Seniority</b>	Senior
<b>Eligible Investors</b>	Please see “ <i>Issue Procedure –Who can apply?</i> ” on page 101.
<b>Objects of the Issue / Purpose for which there is requirement of funds</b>	Please see “ <i>Object of the Issue</i> ” on page 49.
<b>Details of Utilization of the Proceeds</b>	Please see “ <i>Objects of the Issue</i> ” on page 49.

<b>Coupon rate</b>	Coupon rate See “ <i>Issue Procedure – Terms of Payment</i> ” on page 120.
<b>Interest Rate on each category of investor</b>	See “ <i>Terms of the Issue – Interest/ coupon on NCDs</i> ” on page 93
<b>Step up/ Step Down Coupon rates</b>	Not Applicable
<b>Coupon payment frequency</b>	See “ <i>Issue Structure – Terms of Payment</i> ” on page 81
<b>Day count basis</b>	Actual / Actual
<b>Interest on application money</b>	NA
<b>Default Coupon rate</b>	Our Company shall pay interest, over and above the agreed coupon rate, in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws.  Our Company shall pay at least two percent per annum to the debenture holder, over and above the agreed coupon rate, till the execution of the trust deed if our Company fails to execute the trust deed within such period as prescribed under applicable law.
<b>Tenor</b>	See “ <i>Issue Structure – Terms of Payment</i> ” on page 81 of this Tranche I Prospectus
<b>Redemption Date</b>	See “ <i>Issue Structure – Terms of Payment</i> ” on page 81 of this Tranche I Prospectus
<b>Redemption Amount</b>	See “ <i>Issue Structure – Terms of Payment</i> ” on page 81 of this Tranche I Prospectus
<b>Redemption Premium/ Discount</b>	See “ <i>Issue Structure – Terms of Payment</i> ” on page 81 of this Tranche I Prospectus
<b>Face Value</b>	₹ 1,000 per NCD.
<b>Issue Price</b>	₹ 1,000 per NCD.
<b>Discount at which security is issued and the effective yield as a result of such discount</b>	NA
<b>Transaction Documents</b>	Transaction Documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, Abridged Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed, the Deed of Hypothecation and other documents, if applicable, the letters issued by the Rating Agency, the Debenture Trustee and/or the Registrar; and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of the Issue including but not limited to the Issue Agreement, the Debenture Trustee Agreement, the Tripartite Agreements, the Public Issue Account and Sponsor Bank Agreement, the Registrar Agreement and the Consortium Agreement, and any other document that may be designated as a Transaction Document by the Debenture Trustee and Security Documents executed or to be executed by our Company, as the case may be and any other document that may be designated as a Transaction Document by the Debenture Trustee. For further details see, “ <i>Material Contracts and Document for Inspection</i> ” on page 133
<b>Put option date</b>	NA
<b>Put option price</b>	NA
<b>Call option date</b>	NA
<b>Call option price</b>	NA
<b>Put notification time</b>	NA
<b>Call notification time</b>	NA
<b>Minimum Application size and in multiples of NCD thereafter</b>	₹10,000 (10 NCDs) and in multiple of ₹1,000 (1 NCD) thereafter
<b>Market Lot / Trading Lot</b>	One NCD
<b>Pay-in date</b>	Application Date. The entire Application Amount is payable on Application.
<b>Credit Ratings / Rating of the instrument</b>	The NCDs proposed to be issued pursuant to this Issue have been rated [ICRA]AA (Stable) (Double A; Outlook: Stable) by ICRA Limited for an amount of up to ₹ 3,000 crores by way of its letter dated June 27, 2023 revalidated by way of letter dated October 9, 2023 and rated CARE AA; Stable (Double A; Outlook: Stable) by CARE Ratings Limited for an amount of up to ₹ 3,000 crores by way of its letter dated August 1, 2023 revalidated by way of letter dated October 13, 2023.
<b>Stock Exchange/s proposed for listing of the NCDs</b>	BSE Limited and National Stock Exchange of India Limited.
<b>Listing and timeline for listing</b>	The NCDs are proposed to be listed on BSE and NSE. The NCDs shall be listed within six Working Days from the date of Issue Closure for Tranche I Issue, i.e., within the timelines specified in the SEBI NCS Master Circular. BSE is the Designated Stock Exchange for the Issue.



	For more information see “ <i>Other Regulatory and Statutory Disclosures</i> ” on page 57.
<b>Modes of payment</b>	Please see “ <i>Issue Structure – Terms of Payment</i> ” on page 81.
<b>Tranche I Issue opening date</b>	Thursday, October 19, 2023
<b>Issue closing date**</b>	Thursday, November 2, 2023
<b>Date of earliest closing of the issue, if any</b>	Not Applicable.
<b>Record date</b>	15 (fifteen) days prior to the interest payment date, and/or Redemption Date for NCDs issued under Tranche I Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date
<b>Settlement mode of instrument</b>	In dematerialised form only
<b>All covenants of the Issue (including side letters, accelerated payment clause, etc.)</b>	The Company shall comply with the representations and warranties, general covenants, negative covenants, reporting covenants and financial covenants as more specifically set out in the Debenture Trust Deed and as specified in the Prospectus. Any covenants later added shall be disclosed on the websites of the Stock Exchange, where the NCDs are proposed to be listed.
<b>Issue Schedule</b>	Thursday, October 19, 2023 to Thursday, November 2, 2023**
<b>Description regarding security (where applicable) including type of security (movable/ immovable/ tangible etc.) type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation</b>	A first ranking pari passu charge by way of hypothecation over Hypothecated Property, with the Required Security Cover, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed and/or the Deed of Hypothecation
<b>Replacement of security, interest of the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the Tranche I Prospectus</b>	<p>These NCDs are secured by way of the first ranking <i>pari passu</i> charge by way of hypothecation over Hypothecated Property, with the Required Security Cover, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed and/or the Deed of Hypothecation.</p> <p>Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18(1) of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs, till the execution of the Debenture Trust Deed.</p> <p>The security shall be created prior to making the listing application for the NCDs with the Stock Exchange. For further details on date of creation of security/likely date of creation of security minimum security cover etc., please see “<i>Terms of the Issue – Security</i>” on page 83</p>
<b>Security Cover</b>	Our Company shall maintain a Required Security Cover of 1x (one time) at all times until the Final Settlement Date.
<b>Condition precedent to the Issue</b>	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations or any other Applicable Law, there are no conditions precedents to the Issue.
<b>Condition subsequent to the Issue</b>	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI NCS Regulations, there are no conditions subsequent to the Issue.
<b>Events of default</b>	Please see “ <i>Terms of the Issue – Events of Default</i> ” on page 85 and as agreed in the Debenture Trust Deed.
<b>Creation of recovery expense fund</b>	Our Company has maintained the required amount towards recovery expense fund in the manner as specified in the SEBI Master Circular for Debenture Trustees and Regulation 11 of the SEBI NCS Regulations and informed the Debenture Trustee regarding transfer of amount toward such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, for taking appropriate legal action to enforce the security.
<b>Conditions for breach of covenants (as specified in Debenture Trust Deed)</b>	Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in term sheet and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy within the cure period, as set out in the Debenture Trust Deed (in

	which case no notice shall be required), it shall constitute an event of default. Please see “ <i>Terms of the Issue - Events of default</i> ” on page 85.
<b>Deemed date of Allotment</b>	The date on which the Administrative Committee approves the Allotment of the NCDs for the Issue or such date as may be determined by the Administrative Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture Holders from the Deemed Date of Allotment.
<b>Roles and responsibilities of the Debenture Trustee</b>	As per SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, SEBI Master Circular for Debenture Trustees, Companies Act, the simplified listing agreement(s), and the Debenture Trust Deed, each as amended from time to time. Please see section titled “ <i>Terms of the Issue-Trustees for the NCD Holders</i> ” on page 85.
<b>Risk factors pertaining to the Issue</b>	Please see section titled “ <i>Risk Factors</i> ” on page 21 of the Shelf Prospectus.
<b>Governing law and Jurisdiction</b>	Any dispute in relation to NCDs shall be governed by laws of India and courts and tribunals in Mumbai, India shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the proposed issuance of NCDs.
<b>Working day convention / Day count convention / Effect of holidays on payment</b>	Working Day means all days on which commercial banks in Mumbai are open for business. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the dates of the future interest payments would continue to be as per the originally stipulated schedule.  Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment.

\* In terms of Regulation 7 of the SEBI NCS Regulations, our Company will undertake this public issue of the NCDs in dematerialised form. Trading in NCDs shall be compulsorily in dematerialized form.

\*\* This Tranche I Issue shall remain open for subscription on Working Days from 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the period indicated in this Tranche I Prospectus, except that this Tranche I Issue may close on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of this Tranche I Issue and subject to not exceeding thirty days from filing this Tranche I Prospectus with ROC) as may be decided by the Administrative Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche I Issue has been given on or before such earlier or initial date of this Tranche I Issue closure. Application Forms for this Tranche I Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Tranche I Issue Period. On the Tranche I Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5.00 p.m. (Indian Standard Time) on one Working Day after the Tranche I Issue Closing Date. For further details please refer to the chapter titled “Issue Related Information” on page 77 of the Tranche I Prospectus.

For the list of documents executed/ to be executed, please see “Material Contracts and Documents for Inspection” on page 133.

While our Company shall maintain a Required Security Cover at all times until the Final Settlement Date, it is the duty of the Debenture Trustee to monitor the security cover is maintained at all times, however, the recovery of Required Security Cover shall depend on the market scenario prevalent at the time of enforcement of the security.

Debt securities shall be considered as secured only if the charged asset is registered with Sub-registrar or Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee.

Please see “Issue Procedure” on page 100 for details of category wise eligibility and allotment in the Issue.

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

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

For further details, see “Issue Procedure” beginning on page 100.

## Specified Terms of the NCDs

Series	I	II*	III	IV
Frequency of Interest Payment	Annual	Annual	Annual	Annual
Minimum Application	₹ 10,000 (10 NCDs) across all series			
In multiples of thereafter	₹ 1,000 (1 NCD)			
Face Value/ Issue Price of NCDs (₹/ NCD)	₹ 1,000			
Tenor	2 years	3 years	5 years	10 years
Coupon (% per annum) for NCD Holders in all Category of NCD Holders	9.00%	9.05%	9.20%	9.35%
Effective Yield (% per annum) for NCD Holders in all Category of NCD Holders	9.00%	9.05%	9.19%	9.34%
Mode of Interest Payment	Through various modes available			
Amount (₹ / NCD) on Maturity for NCD Holders in all Category of NCD Holders	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000
Maturity / Redemption Date (from the Deemed Date of Allotment)	2 years	3 years	5 years	10 years
Put and Call Option	Not Applicable			

\*Our Company shall allocate and allot Series II NCDs wherein the Applicants have not indicated the choice of the relevant NCD Series.

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

Please refer to Annexure C of this Tranche I Prospectus, for details pertaining to the cash flows of the Company in accordance with the SEBI Master Circular.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue. For further details, see “Issue Procedure” and “Terms of Issue” on pages 100 and 83, respectively.

### Terms of Payment

The entire amount of face value of NCDs applied for will be blocked in the relevant ASBA Account maintained with the SCSB or under UPI mechanism (only for Retail Individual Investors), as the case may be, in the bank account of the Applicants that is specified in the ASBA Form at the time of the submission of the Application Form. In the event of Allotment of a lesser number of NCDs than applied for, our Company shall unblock the additional amount blocked upon application in the ASBA Account, in accordance with the terms as specified in “Terms of the Issue” on page 83.

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

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

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

### **Day Count Convention**

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Master Circular.

### **Effect of holidays on payments**

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment.

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

For further details, see the section titled “*Issue Procedure*” on page 100.

## TERMS OF THE ISSUE

### Authority for this Issue

At the meeting of the Board of Directors held on May 5, 2023, the Board of Directors approved the issuance of NCDs in one or more tranches.

Pursuant to the shareholders resolution passed at the Annual General Meeting held on August 1, 2016, our Board has been authorised to borrow any sum or sums of monies, which together with the monies already borrowed (apart from temporary loans obtained or to be obtained in the ordinary course of business), in excess of our Company's aggregate paid-up capital, free reserves and securities premium reserve of our Company, up to a limit of an outstanding aggregate value of ₹ 44,000 crores over and above the aggregate of the paid-up share capital of our Company and its free reserves as prevailing from time to time, exclusive of interest and other charges.

Further, pursuant to the scheme of arrangement by which PHL Fininvest Private Limited was amalgamated with our Company, the borrowing limit of the Company in terms of Section 180(1)(c) of the Companies Act, 2013 was deemed increased without any further act, thereby increasing the borrowing limit to ₹ 46,100.75 crores.

The NCDs pursuant to this Tranche I Issue will be issued on terms and conditions as set out under this Tranche I Prospectus.

### Principal terms and conditions of this Issue

The NCDs being offered as part of this Tranche I Issue are subject to the provisions of the SEBI NCS Regulations, SEBI Master Circular, the relevant provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of the Shelf Prospectus, this Tranche I Prospectus the Application Form, the Abridged Prospectus, the terms and conditions of the Debenture Trustee Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government of India, the Stock Exchanges, RBI and/or any other statutory or regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

### Ranking of the NCDs

The NCDs would constitute secured and senior obligations of our Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall be secured by way of a *pari passu* charge by way of hypothecation of Hypothecated Property of the Company, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed and/or the Deed of Hypothecation, such that the Required Security Cover is maintained at all times until the Final Settlement Date. The NCDs proposed to be issued under this Issue and all earlier issues of debentures, bond issuances and loans outstanding in the books of our Company having corresponding assets as security, shall rank *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment.

In terms of SEBI Master Circular for Debenture Trustees, our Company is required to obtain permissions or consents from or provide intimations to the prior creditors for proceeding with this Tranche I Issue, if *pari passu* security is sought to be created. As a *pari passu* charge by way of hypothecation over the Hypothecated Property of the Company is being provided as security for this Issue, the Debenture Trustee has provided prior intimation to our existing creditors in whose favour any Security Interests have been created over the Hypothecated Property, for proceeding with this Tranche I Issue.

### Security

All obligations of the Company under the Transaction Documents including the Secured Obligations shall be secured by way of a first ranking *pari passu* charge by way of hypothecation of Hypothecated Property, with the Required Security Cover, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed and/or the Deed of Hypothecation. The security is estimated to be created prior to filing of the application for the listing of the NCDs with the Stock Exchanges.

Further, NCDs shall be considered as secured only if the charged asset is registered with sub-registrar, RoC, Central Registry of Securitisation Asset Reconstruction and Security Interest ("CERSAI"), Depository etc., as applicable, and is independently verifiable by the Debenture Trustee.

Pursuant to the SEBI Master Circular for Debenture Trustees, our Company has entered into the Debenture Trustee Agreement with the Debenture Trustee and proposes to complete the execution of the Debenture Trust Deed before making the application for listing of the NCDs for the benefit of the NCD Holders, the terms of which shall govern the appointment of the Debenture Trustee and the issue of the NCDs.

Under the terms of the Debenture Trust Deed, our Company will covenant with the Debenture Trustee that it will pay the NCD Holders, the principal amount on the NCDs on the relevant Redemption Date and also that it will pay the interest due on NCDs (inclusive of penal interest, where applicable) on the rate specified in this Tranche I Prospectus.

The Debenture Trust Deed will also provide that, so long as the Security Cover Ratio is maintained at or above the Required Security Cover at all times and no Security Enforcement Event has occurred and is continuing, our Company may withdraw any portion of the Hypothecated Property and replace with another Movable Asset of the equal or greater value as Security to which the Company has a good, clear and marketable title, ensuring the Required Security Cover is maintained till the Final Settlement Date in accordance with the terms of the Transaction Documents..

Without prejudice to the aforesaid, in the event our Company fails to execute the Debenture Trust Deed within the period specified in Regulation 18 of the SEBI NCS Regulations or such other time frame as may be stipulated from time-to-time, our Company shall also pay interest of at least 2% (two per cent) per annum to the NCD holders, over and above the interest rate on the NCDs specified in this Tranche I Prospectus, till the execution of the Debenture Trust Deed and in accordance with the applicable laws.

### **Debenture Redemption Reserve**

In accordance with the Companies Act, 2013, and the Companies (Share Capital and Debentures) Rules 2014, read with Rule 16 of the SEBI NCS Regulations, any non-banking finance company registered with Reserve Bank of India under section 45-IA of the RBI Act, 1934 (“**NBFCs**”) that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Financial Year 2019-2020 had announced that NBFCs raising funds in public issues would be exempt from the requirement of creating a DRR.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules, 2014, notified on August 16, 2019, and as on the date of filing this Tranche I Prospectus, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 31st day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

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

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

### **Face Value**

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

### **NCD Holder not a shareholder**

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

### **Rights of the NCD Holders**

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

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the NCD Holders thereof any rights or privileges available to our members / shareholders including, without limitation, the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members /shareholders of our Company, the said resolution will first be placed before the concerned registered NCD

Holders for their consideration. In terms of Section 136 of the Companies Act, 2013, the NCD Holders shall be entitled to inspect a copy of the financial statements and copy of the Debenture Trust Deed at the Registered Office of our Company during business hours on a specific request made to us.

2. Subject to applicable statutory/ regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the NCDs may be varied, modified and/or abrogated with the consent in writing of the Special Majority or with the sanction of a Special Resolution (NCDs) passed at a meeting of the concerned NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the NCDs, if the same are not acceptable to us.
3. Subject to applicable statutory/ regulatory requirements and terms of Debenture Trust Deed, in case of NCDs held in (i) dematerialized form, the person for the time being appearing in the register of beneficial owners of the Depositories; and (ii) physical form on account of re-materialization, the registered NCD Holders or in case of joint-holders, the vote of the first Debenture Holder who tenders a vote shall be accepted to the exclusion of the other joint holder or holder(s)/owner(s), either in person or by proxy, at any meeting of the concerned NCD Holders and every such NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the NCD Holders shall be in proportion to the outstanding nominal value of NCDs held by him/her.
4. The NCDs are subject to the provisions of the applicable law including SEBI NCS Regulations, SEBI Master Circular and provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of the Shelf Prospectus, this Tranche I Prospectus. The terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to this issue and listing, of securities and any other documents that may be executed in connection with the NCDs.
5. Subject to RTA Master Circular, a register of debenture holders will be maintained in accordance with Section 88 and Section 94 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the register of debenture holders as on the Record Date. For NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depositories. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners maintained by a Depository for any NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a register of debenture holders for this purpose. The same shall be maintained at the Registered Office of our Company under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD Holders.
6. Subject to compliance with RBI, NCDs can be rolled over only with the consent of the NCD Holders of at least 75% of the outstanding amount of the NCDs after providing at least 15 days prior notice for such roll over and in accordance with the SEBI NCS Regulations and other applicable law. Our Company shall redeem the NCDs of all the NCD holders, who have not given their positive consent to the roll-over.

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

#### **Trustees for the NCD holders**

We have appointed IDBI Trusteeship Services Limited to act as the Debenture Trustee for the NCD Holder(s) in terms of Regulation 8 of the SEBI NCS Regulations and Section 71(5) of the Companies Act, 2013 and the rules prescribed thereunder. Our Company and the Debenture Trustee will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us with respect to NCDs. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

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

#### **Events of Default**

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the Debenture Holders or with the sanction of a resolution, passed at a meeting of the Debenture Holders in the manner provided in the Debenture Trust Deed shall, give notice to the Company specifying that the NCDs and/or any particular series of NCDs,

in whole but not in part are and have become due and repayable on such date as may be specified in such notice, *inter alia*, if any of the events listed below and as further detailed in the Debenture Trust Deed occurs.

Notwithstanding anything to the contrary contained herein, on occurrence of any event of default specifically identified under the Debenture Trust Deed, the Debenture Holder shall be entitled, in the manner provided in the Debenture Trust Deed, to instruct the Debenture Trustee to issue notice and/or to take actions as stipulated under the Debenture Trust Deed.

The description below is indicative and a complete and detailed list of events of defaults and the terms of occurrence of such events of default and related consequences will be specified in the Debenture Trust Deed.

Indicative list of events of default:

- i. Default is committed in payment of the Redemption Amount of the NCDs as and when the same has become due and payable;
- ii. Default is committed in payment of any instalment of interest on the NCDs as and when the same has become due and payable;
- iii. Default is committed in the performance of covenants, conditions or agreements on the part of the Company in the manner provided under the Debenture Trust Deed other than any payment defaults under the Debenture Trust Deed or the other Transaction Documents;
- iv. Any information furnished or any representation and / or warranty given by the Company to the NCD Holders: (a) in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus or any other Transaction Documents until the date of listing of the NCDs on the Stock Exchanges, is or proves to be untrue or inaccurate in any respect or omits any disclosure of fact which may make the information furnished therein, in light of circumstances under which it was furnished, false or misleading; or (b) under the Transaction Documents on an ongoing basis after the date of listing of the NCDs on the Stock Exchanges, is or proves to be misleading or incorrect in any respect or is found to be incorrect in any respect;
- v. If (a) the Company admits in writing its inability to pay its debts as they mature, or (b) it is contended by any person that the Company is unable to pay its debt and the Company has not exercised its right to contest the claim of such person, or (c) a special resolution has been passed by the shareholders for winding up of the Company or for filing an application to initiate insolvency resolution process of the Company, or (d) the Company consents to the entry of an order for relief in an involuntary proceeding under any such law, or (e) it is certified by the statutory auditors that the liabilities of the Company exceed its assets indicating the inability of the Company to function as a going concern and/or to discharge its obligations under the Debenture Trust Deed;
- vi. The Company has voluntarily or involuntarily become the subject of proceedings under bankruptcy or insolvency law, or has suffered any action taken for its reorganization, insolvency, liquidation or dissolution;
- vii. A resolution professional or receiver or liquidator has been appointed in respect of all or any part of the undertaking of the Company;
- viii. If the Security Cover Ratio falls below the Required Security Cover in the manner set out in the Debenture Trust Deed;
- ix. If (A) an attachment or distraint is levied on the Hypothecated Property or any part thereof; or (B) an encumbrancer, Receiver or liquidator has been appointed or allowed to be appointed to take possession of the Hypothecated Property or any part thereof;
- x. If the Company, without the consent of the NCD Holders, ceases, or threatens in writing to cease to carry on its Material Line of Business or gives notice of its intention to do so;
- xi. The occurrence of any other event or condition which leads to occurrence of a material adverse effect, as set out in the Debenture Trust Deed;
- xii. On and from the date of the Debenture Trust Deed, the Company commences, or enters into any amalgamation, reorganisation or reconstruction (other than as permitted in terms of the Debenture Trust Deed) without the prior written consent of the Debenture Trustee;
- xiii. If the Security is in jeopardy and/or there is imminent danger of the Security Cover Ratio falling below the Required Security Cover in the manner set out in the Debenture Trust Deed; and
- xiv. Any other event described as an event of default in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Debenture Trust Deed and the other Transaction Documents.



Any event of default shall be called by the Debenture Trustee in accordance with applicable laws including the SEBI Master Circular for Debenture Trustees and as per the terms as set out in the Debenture Trust Deed.

In accordance with the SEBI Master Circular for Debenture Trustees, post the occurrence of a “default”, the consent of the NCD Holders for entering into an inter-creditor agreement (the “ICA”)/enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

Regulation 51 read with the Explanation to Clause A (11) in Part B of Schedule III of the SEBI Listing Regulations, defines ‘default’ as non-payment of interest or principal amount in full on the pre-agreed date which shall be recognized at the first instance of delay in the servicing of any interest or principal on debt.

It is hereby confirmed, in case of an occurrence of a “default”, the Debenture Trustee shall abide and comply with the procedures mentioned in the SEBI Master Circular for Debenture Trustees issued by SEBI.

### **Minimum Subscription**

In terms of the SEBI NCS Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue size i.e. ₹ 150 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue size, prior to the Issue Closing Date, the entire Application Amount shall be unblocked in the ASBA Accounts of the Applicants within eight Working Days from the Tranche I Issue Closing Date. In the event there is delay in unblocking of funds/refunds, our Company shall be liable to repay the money, with interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. Our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard included in the SEBI Master Circular.

### **Market Lot and Trading Lot**

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

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

Allotment in this Tranche I Issue will be in electronic form multiples of one NCD. For further details of Allotment, see the “*Issue Procedure*” beginning on page 100.

### **Nomination facility to NCD Holders**

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole NCD Holder or first NCD Holder, along with other joint NCD Holders (being individual(s) may nominate, in Form SH – 13, any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the NCDs. Where the nomination is made in respect of the NCDs held by more than one person jointly, all joint holders shall together nominate in Form SH-13 any person as nominee. A person, being a nominee, becoming entitled to the NCDs by reason of the death of the NCD Holder(s) will in accordance with Rule 19 and Section 56 of Companies Act 2013, shall be entitled to the same rights to which he would be entitled if he were the registered holder of the NCD except that he shall not, before being registered as a holder in respect of such NCDs, be entitled in respect of these NCDs to exercise any right conferred. Where the nominee is a minor, the NCD Holder(s) may make a nomination to appoint, in the prescribed manner, including by way of Form SH – 14, any person to become entitled to the NCDs, in the event of his death, during the minority. A nomination shall stand rescinded upon sale/transfer/alienation of the NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nominations can be made only in the prescribed form available on request at our Registered/ Corporate Office, at such other addresses as may be notified by us, or at the office of the Registrar to the Issue or the transfer agent.

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

In accordance with the Section 72 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, any person who becomes a nominee by virtue of the above said Section, shall upon the production of such evidence as may be required by our Board, elect either:

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

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

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

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

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

#### **Transfer/Transmission of NCD(s)**

The NCDs shall be transferred or transmitted freely, in whole or in part without the prior consent of the Company, in accordance with the applicable provisions of the Companies Act, 2013. The NCDs held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by the Depositories and the relevant DPs 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, interest will be paid/redemption will be made to the person, whose name appears in the register of debenture holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer or Registrar. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

For further details, see "*Issue Structure*" beginning on page 77, for the implications on the interest applicable to NCDs held by individual NCD Holders on the Record Date and NCDs held by non-individual NCD Holders on the Record Date.

NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred. Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only. The procedure for transmission of securities has been further simplified vide the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 Gazette Notification no. SEBI/LAD- NRO/GN/2022/80 dated April 25th, 2022.

#### **Title**

In case of:

- NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depositories; and
- the NCDs held in physical form pursuant to rematerialization, the person for the time being appearing in the register of NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person, as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the consolidated NCD certificates issued in respect of the NCDs and no person will be liable for so treating the NCD holder.

No transfer of title of an NCD will be valid unless and until entered on the register of NCD holders or the register of beneficial owners maintained by the Depositories prior to the Record Date. In the absence of transfer being registered, interest and/or maturity amount, as the case may be, will be paid to the person, whose name appears first in the register of the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the NCDs will need to be settled with the seller of the NCDs and not with our Company or the Registrar. The provisions relating to transfer and transmission and other related matters in respect of our Company's shares contained in the Articles of Association of our Company, SEBI Listing Regulations and the relevant provisions of the Companies Act, 2013, shall apply, *mutatis mutandis* (to the extent applicable) to the NCD(s) as well.

### **Succession**

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

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

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

### **Joint-holders**

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

### **Procedure for re-materialisation of NCDs**

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

### **Register of NCD Holders**

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

### **Restriction on transfer of NCDs**

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Issue. Pursuant to the SEBI LODR IV Amendment, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred. Any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialised form only.

## Period of subscription

ISSUE SCHEDULE*	
TRANCHE I ISSUE OPENING DATE	Thursday, October 19, 2023
TRANCHE I ISSUE CLOSING DATE	Thursday, November 2, 2023
PAY IN DATE	Application Date. The entire Application Amount is payable on Application
DEEMED DATE OF ALLOTMENT	The date on which the Administrative Committee approves the Allotment of the NCDs for this Tranche I Issue or such date as may be determined by the Administrative Committee thereof and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the NCD Holders from the Deemed Date of Allotment.

\* This Tranche I Issue shall remain open for subscription on Working Days from 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the period as indicated in this Tranche I Prospectus, our Company may, in consultation with the Lead Managers, consider closing this Tranche I Issue on such earlier date or extended date (subject to a minimum period of three Working Days and a maximum period of ten Working Days from the date of opening of this Tranche I Issue and subject to not exceeding thirty days from filing this Tranche I Prospectus with ROC) as may be decided by the Administrative Committee subject to compliance with Regulation 33A of the SEBI NCS Regulations. In the event of an early closure or extension of this Tranche I Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement for opening of this Tranche I Issue has been given on or before such earlier or initial date of Tranche I Issue closure. Application Forms for this Tranche I Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges, on Working Days during the Tranche I Issue Period. On the Tranche I Issue Closing Date, the Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5.00 p.m. (Indian Standard Time) on one Working Day after the Tranche I Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 77.

Applications Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Designated Intermediaries, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (ii) directly by the Designated Branches of the SCSBs or (iii) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchanges, as the case maybe, only at the selected cities. Additionally, an Investor may also submit the Application Form through the app or web interface of the Stock Exchanges. It is clarified that the Applications not uploaded in the Stock Exchanges platform would be rejected.

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

## Taxation

Income Tax is deductible at source at the rate of 10% on interest on debentures held by resident Indians as per the provisions of Section 193 of the IT Act (in case where interest is paid to Individual or HUF, no TDS will be deducted where interest paid is less than ₹5,000 and interest is paid by way of account payee cheque). For further details, please see Section titled "Statement of Possible Tax Benefits Available to the Debentures Holders Under the Applicable Laws in India" on page 30.

Further, Tax will be deducted at source at reduced rate, or no tax will be deducted at source in the following cases:

- a. When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed with the Company/ Registrar, at least 7 days before the relevant record date for payment of debenture interest;
- b. When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be Nil. However, under section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred

to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of 236 Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax;

- c. Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of tax at source in accordance with the provisions of section 197A(1C) of the Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to tax, provided that the tax due on the estimated total income of the year concerned will be Nil.

In all other situations, tax would be deducted at source as per prevailing provisions of the IT Act. However in case of NCD Holders claiming non-deduction or lower deduction of tax at source, as the case may be, the NCD Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all applicants (other than companies, and firms), or (b) a certificate, from the Assessing Officer which can be obtained by all applicants (including companies and firms) by making an application in the prescribed form i.e. Form No.13.

Further, eligible NCD Holders other than resident individuals or resident HUF investors, the following documents should be submitted with the Company/ Registrar, atleast 7 days before the relevant record date for payment of debenture interest (i) copy of registration certificate issued by the regulatory authority under which the investor is registered, (ii) self-declaration for non-deduction of tax at source, and (iii) such other document a may be required under the Income Tax Act, for claiming non-deduction / lower deduction of tax at source and/or specified by the Company/ Registrar, from time to time.

The aforesaid documents, as may be applicable, should be submitted atleast 7 days before the relevant Record Date for payment of interest on the NCDs quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, to ensure non-deduction/lower deduction of tax at source from interest on the NCD. The aforesaid documents for claiming non-deduction or lower deduction of tax at source, as the case may be, shall be submitted to the Registrar or our Company as per below details or any other details as may be updated on the website of the Issuer at [www.piramal.com](http://www.piramal.com) or the Registrar at [pel.ncd@linkintime.co.in](mailto:pel.ncd@linkintime.co.in), from time to time.

#### **Registrar to the Issue**

##### **Link Intime India Private Limited**

C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083, Maharashtra, India

**Tel:** +91 8108114949

**Facsimile:** +91 22 4918 6195

**Email:** [pel.ncd@linkintime.co.in](mailto:pel.ncd@linkintime.co.in)

**Investor Grievance Email:** [pel.ncd@linkintime.co.in](mailto:pel.ncd@linkintime.co.in)

**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)

**Contact Person:** Mr. Sumeet Deshpande

**SEBI Registration No.:** INR000004058

**CIN:** U67190MH1999PTC118368

#### **Contact details of the Company**

Contact Person: Bipin Singh, Company Secretary and Compliance Officer for this Issue.

**Address:** Piramal Ananta, Agastya Corporate Park, Opposite Fire Brigade, Kamani Junction, LBS Marg, Kurla (West), Mumbai 400 070

**Tel:** 022 3802 3805

**Email:** [bipin.singh@piramal.com](mailto:bipin.singh@piramal.com)

#### **Link for availability of formats of declaration/ certificates and online submission of tax exemption forms:**

<https://web.linkintime.co.in/BONDSformreg/BONDS-submission-of-form-15g-15h.html>

The investors need to submit Form 15H/ 15G/certificate in original from the Assessing Officer for each Fiscal during the currency of the NCD to claim non-deduction or lower deduction of tax at source from interest on the NCD. Tax exemption certificate/document, if any, must be lodged at the office of the Registrar to the Issue at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Please also see, “Statement of Possible Tax Benefits Available to the Debentures Holders Under the Applicable Laws in India” on page 30. Subject to the terms and conditions in connection with computation of applicable interest on the Record Date as stated in the section titled “Issue Procedure” on page 100, please note that in case the NCDs are transferred and/or transmitted in accordance with the provisions of this this Tranche I Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such NCDs or the deceased holder of NCDs, as the case may be, shall be entitled to any interest which may have accrued on the NCDs.

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

### **Maturity and Redemption**

The relevant interest will be paid in the manner set out in “Issue Structure” on page 77. The last interest payment will be made at the time of redemption of the NCDs.

<b>Series</b>	<b>Maturity Period/ Redemption (as applicable)</b>
Series I	2 years
Series II	3 years
Series III	5 years
Series IV	10 years

### **Put / Call Option**

Not Applicable

### **Deemed Date of Allotment**

The date on which the Administrative Committee approves the Allotment of the NCDs for this Tranche I Issue or such date as may be determined by the Administrative Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the NCD holders from the Deemed Date of Allotment.

### **Application in the Issue**

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

In terms of Regulation 7 of SEBI NCS Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, but subject to SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 (“**SEBI LODR IV Amendment**”) and the RTA Master Circular, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialised form only.

### **Application Size**

Each Application should be for a minimum of 10 NCDs across all series collectively and in multiples of one NCD thereafter (for all series of NCDs taken individually or collectively), as specified in this Tranche I Prospectus.

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

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

## Terms of Payment

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

## Record Date

The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 (fifteen) days prior to the interest payment date, and/or Redemption Date for NCDs issued under this Tranche I Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the date of redemption. In case the Record Date falls on a day when the Stock Exchanges are having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date.

## Interest/Premium and Payment of Interest/ Premium

### Interest/ Coupon on NCDs

#### Annual interest payment options

Interest would be paid annually under Series I, II, III and IV at the following rates of interest in connection with the relevant categories of NCD Holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of NCDs:

Category of NCD Holders	Coupon (per annum) for following Series			
	I	II	III	IV
All categories	9.00%	9.05%	9.20%	9.35%

Series I, Series II, Series III and Series IV NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 2 years, 3 years, 5 years and 10 years respectively from the Deemed Date of Allotment.

### Payment of Interest

Amount of interest payable shall be rounded off to the nearest Rupee. In the event, the interest/payout of total coupon /redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment.

### Basis of payment of Interest

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

### Mode of payment of Interest to NCD Holders

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

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

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI.

#### **Manner of Payment of Interest / Refund / Redemption\***

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

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants who are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Neither the Lead Managers, nor our Company, nor the Registrar to the Issue shall have any responsibility and undertake any liability arising from such details not being up to date.

In case of NCDs held in physical form, on account of rematerialisation, the bank details will be obtained from the documents submitted to the Company along with the rematerialisation request. For further details, please see “*Terms of the Issue – Procedure for Re-materialization of NCDs*” on page 89.

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

*\*In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 1,837.50 then the amount shall be rounded off to ₹ 1,838.*

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

1. Direct Credit

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Bank.

2. NACH

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

3. RTGS

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

4. NEFT

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

5. Registered Post/Speed Post

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



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

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

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

#### **Printing of bank particulars on interest / redemption warrants**

As a matter of precaution against possible fraudulent encashment of refund orders and interest/ redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the Depositories. In case of NCDs held in physical form on account of rematerialisation, the NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants will be dispatched to the postal address of the NCD Holders as available in the records of our Company either through speed post, registered post.

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

#### **Loan against NCDs**

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

#### **Buy Back of NCDs**

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buy-back the NCDs from the open market or otherwise, upon such terms and conditions as may be decided by our Company. Such buy-back of the NCDs may be at par or at discount / premium to the face value at the sole discretion of the Company.

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

Where the Company has repurchased any such NCDs, if permissible under and subject to the provisions of the Companies Act, 2013, rules and regulations thereunder and other Applicable Law as may be amended from time to time, the Company shall have and shall be deemed always to have had the right to keep such NCDs alive for the purpose of reissue and in exercising such right, the Company shall have and shall be deemed always to have had the power to reissue such NCDs, either by reissuing the same or by issuing other debentures in their place, in either case, at such a price and on such terms and conditions (including any variations, dropping of or additions to any terms and conditions originally stipulated) as the Company may deem fit.

#### **Form of allotment and Denomination of NCDs**

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

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

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

As per the SEBI NCS Regulations, the trading of the NCDs on the Stock Exchanges shall be in dematerialized form only in multiples of 1 (one) NCD (“**Market Lot**”). Allotment in this Tranche I Issue to all Allottees, will be in electronic form i.e., in dematerialised form and in multiples of one NCD. For details of allotment see “*Issue Procedure*” beginning on page 100.

### **Procedure for Redemption by NCD holders**

The procedure for redemption is set out below:

#### ***NCDs held in physical form on account of rematerialisation***

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment. We may at our discretion redeem the Secured NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those NCD holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of redemption of NCDs. In such case, the Secured NCD certificates would be deemed to have been cancelled. Also see the para “*Payment on Redemption*” given below.

#### ***Secured NCDs held in electronic form***

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

### **Payment on Redemption**

The manner of payment of redemption is set out below:

#### ***NCDs held in physical form on account of rematerialisation***

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

In case we decide to do so, the redemption proceeds in the manner stated above would be paid on the redemption date to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. Hence the transferees, if any, should ensure lodgment of the transfer documents with us at least seven days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 days prior to the Record Date and we dispatch the redemption proceeds to the transferor, claims in respect of the redemption proceeds should be settled amongst the parties inter se and no claim or action shall lie against us or the Registrar to the Issue.

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

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

#### ***NCDs held in electronic form***

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

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

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

### **Right to reissue NCD(s)**

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

### **Transfer/ Transmission of NCDs**

#### **For NCDs held in physical form on account of rematerialisation**

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

#### **For NCDs held in electronic form**

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

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

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

#### **Common form of transfer**

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

#### **Sharing of information**

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

#### **Notices**

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

#### **Issue of duplicate NCD certificate(s)**

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

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

## **Lien**

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

## **Lien on pledge of NCDs**

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

## **Future Borrowings**

We shall be entitled to make further issue of secured or unsecured debentures and/or raise term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency by creating a first ranking exclusive, first/ second/ pari-passu or subservient charge on any assets, so long as (i) the Security Cover Ratio is maintained at or above the Required Security Cover in the manner set out in the Transaction Documents; (ii) no event of default has occurred and is continuing; (iii) consents and approvals and other conditions, as may be required under Applicable Law or financing agreements, including intimations, if any, required thereunder are obtained or provided, as the case may be; and (iv) the Company is in compliance with the obligation of submission of the certificate evidencing the maintenance of the Required Security Cover within the timelines and in the manner set out in the Debenture Trust Deed.

## **Illustration for guidance in respect of the day count convention and effect of holidays on payments.**

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Master Circular is disclosed in Annexure C of this Tranche I Prospectus.

## **Payment of Interest**

If Allotment is not made within the prescribed time period under applicable law, the entire subscription amount will be unblocked within the time prescribed under applicable law, failing which interest may be due to be paid to the Applicants, for the delayed period, as prescribed in applicable law. Our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. For further details, see "*Issue Procedure - Rejection of Applications*" beginning on page 123.

## **Listing**

The NCDs proposed to be offered in pursuance of this Tranche I Prospectus will be listed on the BSE and NSE. Our Company has received an 'in-principle' approval from BSE by way of its letter bearing reference number DCS/BM/PI-BOND/012/23-24 dated September 6, 2023 and from NSE by way of its letter bearing reference number NSE/LIST/D/2023/0214 dated September 5, 2023. The application for listing of the NCDs will be made to the Stock Exchanges at an appropriate stage. For the purposes of this Tranche I Issue, BSE shall be the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Tranche I Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within six Working Days from the Tranche I Issue Closing Date. For the avoidance of doubt, it is hereby clarified that in the event of non-subscription to any one or more of the series, such series(s) of NCDs shall not be listed.

## **Guarantee/Letter of comfort**

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

## **Monitoring and Reporting of Utilisation of Issue Proceeds**

There is no requirement for appointment of a monitoring agency in terms of the SEBI NCS Regulations. Our Board shall monitor the utilisation of the proceeds of the Issue. For the relevant quarters, our Company will disclose in our quarterly financial statements, the utilisation of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Issue

**Pre-Issue Advertisement**

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

Material updates, if any, between the date of filing of the Shelf Prospectus and this Tranche I Prospectus with RoC and the date of release of the statutory advertisement will be included in the statutory advertisement information as prescribed under SEBI NCS Regulations.

**Pre-closure**

Our Company, in consultation with the Lead Managers reserves the right to close the Tranche I Issue at any time prior to the Closing Date of the Tranche I Issue, subject to receipt of minimum subscription for NCDs aggregating to 75% of the Base Issue Size, i.e., ₹ 150 crores, and subject to the minimum Issue period of 3 working days. Our Company shall allot NCDs with respect to the Applications received at the time of such early closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Tranche I Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Tranche I Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement has been given.

**Recovery Expense Fund**

Our Company has created a recovery expense fund in the manner as specified in the SEBI Master Circular for Debenture Trustees and Regulation 11 of SEBI NCS Regulations and informed the Debenture Trustee regarding the creation of such fund. The Recovery expense fund may be utilised by Debenture Trustee, in the event of default by our Company under the terms of the Debenture Trust Deed, and the Applicable Laws for taking appropriate legal action to enforce the security.

## ISSUE PROCEDURE

*This section applies to all Applicants. Pursuant to the SEBI Master Circular, all Applicants are required to apply for in the Tranche I Issue through the ASBA process and an amount equivalent to the full Application Amount as mentioned in the Application Form will be blocked by the Designated Branches of the SCSBs. Further, pursuant to the SEBI Master Circular, SEBI has provided the UPI Mechanism as a payment mechanism for the Issue, wherein a UPI Investor, may submit the Application Form with a SCSB or a Designated Intermediary or through the app/web based interface platform of the Stock Exchanges and use their bank account linked UPI ID for the purpose of blocking of funds, if the Application being made is for a value of ₹5 lakhs or less. The UPI Mechanism is applicable for public issue of debt securities which open for subscription on or after January 1, 2021. Accordingly, payment through the UPI Mechanism shall be available for the Issue. SEBI, vide the SEBI Master Circular has also introduced an additional mode for application in public issues of debt securities through an online (app/web) interface to be provided by the Stock Exchanges. In this regard, SEBI has also stipulated that the Stock Exchanges formulate and disclose the operational procedure for applying through the app/web based interface developed by them for making applications in public issues through the Stock Exchanges' website. BSE's online platform BSE Direct and NSE's online platform NSE goBID, shall be available to UPI Investors to make an application under the UPI Mechanism, in accordance with the operational procedures notified by the Stock Exchanges.*

*Applicants should note that they may submit their Application Forms (including in cases where Applications are being made under the UPI mechanism) at (i) the Designated Branches of the SCSBs or (ii) at the Collection Centres, i.e. to the respective Members of the Consortium at the Specified Locations, the Trading Members at the Broker Centres, the CRTA at the Designated RTA Locations or CDP at the Designated CDP Locations or (iii) through the app and/or web based interface/platform of the Stock Exchanges, as applicable. ASBA Applicants must ensure that their respective ASBA Accounts can be blocked by the SCSBs, in the relevant ASBA accounts for the full Application Amount. For further information, please see "Issue Procedure - Submission of Completed Application Forms" on page 121.*

*Applicants are advised to make their independent investigations and ensure that their Application do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law.*

*Please note that this section has been prepared based on the SEBI Master Circular and other related circulars. Retail Individual Investors should note that they may use the UPI mechanism to block funds for application value up to UPI Application Limit (to participate in the public issue for an amount up to ₹ 5,00,000 for issue of debt securities pursuant to the SEBI Master Circular, or any other investment limit, as applicable and prescribed by SEBI from time to time) submitted through the app/web interface of the Stock Exchanges or through intermediaries (Syndicate Members, Registered Stockbrokers, Registrar and Transfer agent and Depository Participants).*

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

*Further, our Company, the Lead Managers and the Members of the Syndicate do not accept any responsibility for any adverse occurrence consequent to the implementation of the UPI Mechanism for application in this Tranche I Issue.*

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

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

*For purposes of this Issue, the term "Working Day" means all days on which commercial banks in Mumbai are open for business. In respect of announcement or bid/issue period, working day shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business. Further, in respect of post issue period, i.e., period beginning from Tranche I Issue Closing Date to the listing of the NCDs on the Stock Exchanges, working day shall mean all trading days of the Stock Exchanges, excluding Saturdays, Sundays and bank holidays, as specified by SEBI.*

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

## **PROCEDURE FOR APPLICATION**

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

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

- (a) Our Company's Registered Office and Corporate Office;
- (b) Offices of the Lead Managers/Consortium Members;
- (c) Offices of the Registrar to the Issue
- (d) the CRTA at the Designated RTA Locations;
- (e) the CDPs at the Designated CDP Locations;
- (f) Trading Members at the Broker Centres; and
- (g) Designated Branches of the SCSBs.

Electronic copies of the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche I Prospectus together with the downloadable version of the Application Form will be available on the websites of the Lead Managers, the Stock Exchanges, SEBI and the designated branches of the SCSBs and the Members of the Consortium at the Specified Locations.

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

### **Trading Members of the Stock Exchanges can download Application Forms from the website of the Stock Exchanges. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.**

UPI Investors making an Application upto ₹ 5 lakhs, using the UPI Mechanism, must provide the UPI ID in the relevant space provided in the Application Form. Application Forms that do not contain the UPI ID are liable to be rejected. UPI Investors applying using the UPI Mechanism may also apply through the SCSBs and mobile applications using the UPI handles as provided on the website of SEBI.

### **Who can apply?**

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

#### **Category I Investor (Institutional Investor)**

- Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds each with a minimum corpus of ₹ 25 Crore, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative investment funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident venture capital funds registered with SEBI;
- Insurance companies registered with the IRDAI;
- State Industrial Development Corporations;

- Insurance funds set up and managed by the Indian army, navy or the air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, Union of India;
- Systemically Important NBFCs registered with the RBI and having a net-worth of more than ₹ 500 Crore as per the last audited financial statements;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India and published in the Gazette of India; and
- Mutual funds registered with SEBI

#### **Category II Investor (Non Institutional Investors)**

- Companies within the meaning of Section 2(20) of the Companies Act 2013;
- Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trust including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners;
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);
- Association of persons; and
- Any other incorporated and/ or unincorporated body of persons

#### **Category III Investor (High Net Worth Individual Investors)**

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

#### **Category IV Investor (Retail Individual Investors)**

Resident Indian Individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all Options / Series of NCDs in this Tranche I Issue and shall include Retail Individual Investors who have submitted bid for an amount not more than UPI Application Limit (i.e. up to ₹5,00,000 for issues of debt securities) in any of the bidding options in the Tranche I Issue (including Hindu Undivided Families applying through their Karta and does not include NRIs) through UPI Mechanism.

**Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that Application made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to this Tranche I Issue.**

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

#### **Who are not eligible to apply for NCDs?**

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



- i. Minors without a guardian name\*(A guardian may apply on behalf of a minor. However, Application by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian. It is further clarified that it is the responsibility of the Applicant to ensure that the guardians are competent to contract under applicable statutory/regulatory requirements);
- ii. Foreign nationals, NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
- iii. Persons resident outside India and other foreign entities;
- iv. Foreign Institutional Investors;
- v. Foreign Portfolio Investors;
- vi. Non-Resident Indians;
- vii. Foreign Venture Capital Funds;
- viii. Qualified Foreign Investors;
- ix. Overseas Corporate Bodies\*\*; and
- x. Persons ineligible to contract under applicable statutory/regulatory requirements.

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

The Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Designated Intermediaries.

Based on the information provided by the Depositories, our Company shall have the right to accept Application Forms belonging to an account for the benefit of a minor (under guardianship). In case of such Application, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges.

\*\* The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in this Issue.

Please see “*Issue Procedure - Rejection of Applications*” on page 123 for information on rejection of Applications.

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

### **Method of Application**

In terms of SEBI Master Circular, an eligible investor desirous of applying in this Tranche I Issue can make Applications only through the ASBA process only.

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

Applicants are requested to note that in terms of the SEBI Master Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility (“**Direct Online Application Mechanism**”). In this regard, SEBI has, through the SEBI Master Circular, directed recognized Stock Exchange in India to put in necessary systems and infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism infrastructure for the implementation of the SEBI Master Circular and the Direct Online Application Mechanism. The Direct Online Application facility will be available for this Issue as per mechanism provided in the SEBI Master Circular

Applicants should submit the Application Form only at the bidding centres, *i.e.* to the respective Members of the Consortium at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at

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

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

For RIBs using UPI Mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to RIBs for blocking of funds. An Applicant shall submit the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Designated Intermediaries (other than SCSBs) shall not accept any Application Form from a Retail Individual Bidder who is not applying using the UPI Mechanism. For Retail Individual Bidders using UPI Mechanism, the Stock Exchanges shall share the bid details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate UPI Mandate Request to Retail Individual Bidders for blocking of funds. An Applicant shall submit the Application Form, in physical form, the Application Form shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

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

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

1. **Through Self-Certified Syndicate Bank (SCSB) or intermediaries** (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)
  - a. An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process of uploading of bid on the Stock Exchanges bidding platform and blocking of funds in investors account by the SCSB would continue.
  - b. An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchanges bidding platform and forward the application form to a branch of a SCSB for blocking of funds.
  - c. An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is Rs.5 Lakh or less. The intermediary shall upload the bid on the Stock Exchanges bidding platform. The application amount would be blocked through the UPI mechanism in this case.
2. **Through Stock Exchanges**
  - a. An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchanges (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism.

- b. The Stock Exchanges have extended their web-based platforms i.e., 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value up to Rs. 5 Lakh. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.
  - c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: <https://www.bsedirect.com>; and NSE: <https://www.nseindiaipo.com>
  - d. The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications
1. To further clarify the submission of bids through the App or web interface, the BSE has issued operational guidelines and circulars dated December 28, 2020 available at <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60>, and <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61>. Similar circulars by NSE can be found here: <https://www1.nseindia.com/content/circulars/IPO46907.zip> and <https://www1.nseindia.com/content/circulars/IPO46867.zip>. Further, NSE has allowed its 'GoBid' mobile application which is currently available for placing bids for non-competitive bidding shall also be available for applications of public issues of debt securities.

### **Application process through physical Application Form**

Applicants opting for the physical mode of Application process, should submit the Application Form (including for Applications under the UPI Mechanism) only at the Collection Centres, i.e. to the respective Members of the Syndicate at the Specified Locations, the SCSBs at the Designated Branches, the registered broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available on SEBI's website for *Applications under the UPI Mechanism* at <https://www.sebi.gov.in>.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants (including for Applications under the UPI Mechanism), shall upload the details of these Application Forms to the online platform of the Stock Exchanges and submit the Application Forms (except Application Forms submitted by UPI Investors under the UPI Mechanism) with the SCSB with whom the relevant ASBA Accounts are maintained. An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB, with the SCSB and can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form. For Applicants submitting the physical application Form who wish to block the funds in their respective UPI linked bank account through the UPI Mechanism, post uploading of the details of the Application Forms into the online platform of the Stock Exchanges, the Stock Exchanges shall share the Application details (including UPI ID) with the Sponsor Bank on a continuous basis to enable the Sponsor Bank to initiate a UPI Mandate Request to such UPI Investors for blocking of funds.

Designated Intermediaries (other than SCSBs) shall not accept any Application Form from a Retail Individual Bidder who is not applying using the UPI Mechanism. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs (other than UPI Applications), the Application Amount payable on Application has been blocked in the relevant ASBA Account and for Applications by UPI Investors under the UPI Mechanism, uploaded by Designated Intermediaries, the Application Amount payable on Application has been blocked under the UPI Mechanism.

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

1. ***Through Self-Certified Syndicate Bank (SCSB) or intermediaries (viz. Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants)***
  - (a) An investor may submit the bid-cum-application form, with ASBA as the sole mechanism for making payment, physically at the branch of a SCSB, i.e. investor's bank. For such applications, the existing process

of uploading of bid on the Stock Exchanges bidding platform and blocking of funds in investors account by the SCSB would continue.

- (b) An investor may submit the completed bid-cum-application form to intermediaries mentioned above along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Stock Exchanges bidding platform and forward the application form to a branch of a SCSB for blocking of funds.
- (c) An investor may submit the bid-cum-application form with a SCSB or the intermediaries mentioned above and use his / her bank account linked UPI ID for the purpose of blocking of funds, if the application value is Rs.5 lac or less. The intermediary shall upload the bid on the Stock Exchanges bidding platform. The application amount would be blocked through the UPI mechanism in this case.

## 2. **Through Stock Exchanges**

- (a) An investor may submit the bid-cum-application form through the App or web interface developed by Stock Exchanges (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchanges bidding platform and the amount is blocked using the UPI Mechanism.
- (b) The Stock Exchanges have extended their web-based platforms i.e., 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value up to Rs. 5 Lac. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.
- (c) An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: <https://www.bsedirect.com>; and NSE: <https://www.nseindiaipo.com>.
- (d) The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications
- (e) To further clarify the submission of bids through the App or web interface, the BSE has issued operational guidelines and circulars dated December 28, 2020 available at <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60>, and <https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61>. Similar circulars by NSE can be found here: x <https://www1.nseindia.com/content/circulars/IPO46907.zip> x <https://www1.nseindia.com/content/circulars/IPO46867.zip> Further, NSE has allowed its 'GoBid' mobile application which is currently available for placing bids for non-competitive bidding shall also be available for applications of public issues of debt securities.

### **OPERATIONAL INSTRUCTIONS AND GUIDELINES**

Certain relevant operational instructions and guidelines, for using BSE Direct/ NSE goBID to make an Application in the Issue, are listed below:

#### **a. General Instructions –**

- i. Applicants are required to preregister themselves with BSE Direct/NSE goBID. For the detailed process of registration and Applications under the BSE Direct platform/ NSE goBID platform, see "*Issue Procedure - Process of Registration and Application on BSE Direct platform/Mobile App/ NSE goBID platform/Mobile App*" on page 108.
- ii. Applicants can access BSE Direct platform via internet at <https://www.bsedirect.com> or through the mobile app (on android phones only) called BSE Direct which can be downloaded from the Google Playstore.
- iii. Applications can access NSE goBID via internet at <https://eipo.nseindia.com/eipodc/rest/login> or through the mobile app (on android phones only) called NSE goBID which can be downloaded from the Google Playstore.
- iv. The Stock Exchanges shall make this Tranche I Prospectus and the Issue related details available on its website under the 'Forthcoming Issues' a day prior to the Tranche I Issue Opening Date and the details of the Issue shall also be made available on the issue page of BSE Direct/NSE goBID.
- v. The BSE Direct platform/NSE goBID platform, offers a facility of making a direct application through the web based platform or the mobile app with a facility to block funds upto ₹5 lakhs through the UPI Mechanism.
- vi. The mode of allotment for Applications made through the BSE Direct platform/NSE goBID platform, shall mandatorily be in dematerialised form only.

b. **Order Entry Parameters -**

Pursuant to the SEBI Master Circular and other relevant SEBI circulars, the following operating parameters shall be made available for making an Application in the Debt IPO Segment. Applicants are requested to note the following general instructions:

- i. The Issue symbol will remain same across all series/options;
- ii. Applicants can enter order for a single Application having different series within one order entry screen.
- iii. Before submission of the Application, the Applicant should have created an UPI ID with a maximum length of 45 characters including the handle (example: investorId@bankname)
- iv. Applicants can only submit an Application with the UPI Mechanism as the payment mode. The Applications which are successfully accepted will be allotted a bid id or order no.

c. **Modification and cancellation of orders**

- i. An Applicant shall not be allowed to add or modify the Application except for modification of either DP ID/Client ID, or PAN but not both.
- ii. The Applicant can withdraw the bid(s) submitted under a single Application and reapply.
- iii. The part cancellation of bid in a single Application will not be permitted.

For details of the process post the Application details being entered into the bidding platform of the Stock Exchanges, see “*Issue Procedure – Submission of Applications - for Applications under the UPI Mechanism*” on page 113.

d. **Re-initiation of Bids**

- i. If the Applicant has not received the UPI Mandate vide an SMS or on the mobile app, associated with the UPI ID linked bank account, they will have the option to re-initiate the bid which is pending for confirmation.
- ii. The facility of re-initiation/ resending the UPI Mandate shall be available only till 5 pm on the day of bidding.
- iii. The Designated Intermediaries shall be permitted to use the re-initiation of Application option only once.

e. **Acceptance of the UPI Mandate**

- i. An Applicant will be required to accept the UPI Mandate by 5:00 pm on the third Working Day from the day of bidding on the Stock Exchanges platform except for the last day of the Tranche I Issue Period or any other modified closure date of the Issue Period in which case, they shall be required to accept the UPI Mandate by 5:00 pm of the next Working Day. As the Company reserves the right to close the issue prior to the Issue Closing Date, hence is advisable that the Applicants should accept the UPI mandate by 5:00 pm on the Working Day subsequent to date of submission of the Application on BSE Direct/NSE goBID.
- ii. The transaction will be treated completed only after the UPI Mandate is accepted by the Applicant and the transaction is authorised by entering of their respective UPI PIN and successful blocking of fund through ASBA process by the Applicant’s bank.
- iii. If the Applicant fails to accept the mandate within stipulated timelines, their Application will not be considered for allocation.
- iv. Applicants are required to check the status of their Applications with regards to the UPI Mandate acceptance and blocking of fund in the UPI Report for completion of the transaction.
- v. Please note that the display of status of acceptance of the UPI Mandate/fund blocking shall be solely based on the data received from the Sponsor Bank.

f. **Order book and T+1 Modification**

- i. The order book will be available in the Debt module of the Stock Exchanges in real time basis.
- ii. An Applicant shall be allowed to modify selected fields such as their DP ID/Client ID or PAN (Either DP ID/Client ID or PAN can be modified but not both) on T+1 day for a validated bid (T being issue closing date).

g. **Applicant’s responsibilities**

- i. Applicants shall check the Issue details before making an Application.
- ii. Applicants shall only be able to make an Application for an amount upto ₹5 lakhs.
- iii. Applicants shall have only UPI as the payment mechanism with ASBA.
- iv. Applicants must check and understand the UPI Mandate acceptance and the fund blocking process before making an Application.
- v. The receipt of SMS for UPI Mandate acceptance depends upon the system response/ integration of UPI on the Debt Public Issue System.
- vi. Applicants must check their respective mobiles for an SMS or the mobile app, associated with the UPI ID linked bank account, for receipt of the UPI Mandate.
- vii. Applicants must accept the UPI Mandate request within stipulated timelines.
- viii. Applicants must note that the transaction will be treated completed only after the UPI Mandate is accepted by the Applicant and the transaction is authorised by entering of their respective UPI PIN and successful blocking of fund through ASBA process by the Applicant's bank.
- ix. If the Applicant fails to accept the mandate within stipulated timelines, their Application will not be considered for allocation.
- x. Applicants are required to check the status of their Applications with regards to the UPI Mandate acceptance and blocking of fund in the UPI Report for completion of the transaction.

**Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers, the Registrar to the Issue or the Stock Exchanges shall not be liable or responsible in the event an Applicant fails to receive the UPI Mandate acceptance request on their mobile or they fail to accept the UPI Mandate within the stipulated time period or due to any technical/other reasons**

***Process of Registration and Application on BSE Direct Platform/Mobile App/ NSE goBID Platform/Mobile App***

- a. **Process of Registration for Investor**
  - i. To make an Application on the BSE Direct platform/ mobile app/ NSE goBID Platform/Mobile App, an Applicant is required to register themselves with the platform/mobile app.
  - ii. At the time of registration, the Applicant shall be required to select the option of "New Registration Without Broker" and enter their respective PAN along with details of their demat account (i.e., DP ID and Client ID) and UPI ID.
  - iii. The Stock Exchanges shall verify the PAN and demat account details entered by the Applicant with the Depository, within one Working Day.
  - iv. The Applicant shall be required to accept the terms and conditions and also enter the correct 'One Time Password' ("OTP") sent on their respective mobile phones and email IDs to complete the registration process.
  - v. Upon the successful OTP confirmation, the Applicant's registration request shall be accepted, and a reference number shall be provided to them for checking their registration status.
  - vi. At the time of demat account verification, the Stock Exchanges shall also validate Applicant's client type (investor category) present in demat account.
  - vii. An Applicant's registration shall be rejected if an incorrect investor category and/or demat account details have been entered.
  - viii. Post the verification of the demat account, the Stock Exchanges shall activate the Applicant's profile for making an Application and also provide a user ID (which is PAN) and password for login onto the BSE Direct platform/ NSE goBID Platform.
  - ix. An Applicant shall be able to view their respective details including their demat account, by accessing the tab 'My Profile'.
  - x. To modify their details, an Applicant must login to the BSE Direct portal/ NSE goBID portal and click on 'My profile'.
  - xi. The Stock Exchanges shall revalidate the modified details with Depository.
  - xii. No modification request shall be accepted during the Issue Period if the Applicant has made an Application in the Issue.

- xiii. To re-generate a new password, the Applicant can use the 'Forget Password' option.
- xiv. Existing investors who are already registered for "GSec AND T-Bills investment", can also use the facility for applying in the Issue by using the UPI Mechanism for blocking of funds for Applications with a value upto ₹5 lakhs.

**b. Process to place Bid via BSE Direct platform/ mobile app/ NSE goBID Platform/Mobile App**

- i. The Issue, during the Issue Period, shall be opened for subscription and will be available for making an Application through the BSE Direct platform/ mobile app/ NSE goBID Platform/Mobile App.
- ii. Upon successful login, an Applicant can select the Issue to make an Application.
- iii. The details of PAN and DP ID and Client ID will be populated based on the registration done by the Applicant.
- iv. Before submission of the Application, an Applicant would be required to create a UPI ID with a maximum length of 45 characters including the handle (Example: investorId@bankname)
- v. An Applicant shall be required to enter a valid UPI ID, in the UPI ID field.
- vi. An Applicant must select the series/option along with number of NCDs being applied for in the Issue.
- vii. Applicants must check the Issue details before making an Application.
- viii. Applicant will only be able to make an Application for an amount of upto ₹5 lakhs.
- ix. Applicants shall only have UPI as a payment mechanism with ASBA.
- x. Applicants must check and understand the UPI Mandate acceptance and blocking of fund process before making an Application.
- xi. For details of the blocking process post the Application details being entered into the bidding platform of the Stock Exchanges, see "*Issue Procedure – Submission of Applications - for Applications under the UPI Mechanism*" on page 113.

**c. SMS from the Exchange**

- i. Post completion of the blocking process, the Stock Exchanges shall send an SMS to the Applicant regarding submission of the Application at the end of day, during the Issue Period and for the last day of the Issue Period, the SMS shall be sent the next Working Day.

**d. Modification and Cancellation of Orders**

- i. An Applicant shall not be allowed to add or modify the bid(s) of the Application except for modification of either DP ID/Client ID, or PAN but not both.
- ii. An Applicant can withdraw the bid(s) submitted under a single Application and reapply. However, part cancellation of bid in a single Application is not permitted.

**e. Re-initiation of Bid**

- i. If the Applicant has not received the UPI Mandate vide an SMS or on the mobile app, associated with the UPI ID linked bank account, they will have the option to re-initiate the bid which is pending for confirmation, after the lapse of reasonable time.
- ii. The Designated Intermediaries shall be permitted to use the re-initiation of Application option only once.

For details of the process of the UPI Mandate acceptance, see "*Issue Procedure – Operational Instructions and Guidelines - Acceptance of the UPI Mandate*" on page 107.

**Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers, the Registrar to the Issue or the Stock Exchanges shall not be liable or responsible in the event an Applicant fails to receive the UPI Mandate acceptance request on their mobile or they fail to accept the UPI Mandate within the stipulated time period or due to any technical/other reasons. Since the process of making an Application through BSE Direct/ NSE goBID is based on notifications issued by the Stock Exchanges, Applicants are requested to check the website of the Stock Exchanges for any further notifications by the Stock Exchanges amending, supplementing, updating or revising the process of Applications through BSE Direct/ NSE goBID.**

**APPLICATIONS FOR ALLOTMENT OF NCDs**

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

### **Applications by Mutual Funds**

Pursuant to the SEBI master circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated May 19, 2023, mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector (excluding investments in Bank CDs, triparty repo on Government securities or treasury bills, G-Secs, TBills, short term deposits of Scheduled Commercial Banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector (over and above the limit of 20%) not exceeding 10% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. Further, the group level limits for debt schemes and the ceiling be fixed at 10% of net assets value extendable to 15% of net assets value after prior approval of the board of trustees.

A separate Application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such Applications shall not be treated as multiple Applications. Applications made by the AMC's or custodians of a mutual fund shall clearly indicate the name of the concerned scheme for which Application is being made. In case of Applications made by Mutual Fund registered with SEBI, (i) a certified copy of their SEBI registration certificate, (ii) the trust deed in respect of such mutual fund (iii) a resolution authorising investment and containing operating instructions and (iv) specimen signatures of authorized signatories must be submitted with the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.**

### **Application by Systemically Important Non-Banking Financial Companies**

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

### **Application by scheduled commercial banks, co-operative banks and regional rural banks**

Commercial banks, co-operative banks and regional rural banks can apply in this Tranche I Issue based on their own investment limits and approvals. The Application Form must be accompanied by certified true copies of their (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required, along with Power of Attorney / Letter of Authorisation, to be attached to the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.**

**Pursuant to SEBI Master Circular, SCSBs making Applications on their own account using ASBA Facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making Application in public issues and clear demarcated funds should be available in such account for applications.**

### **Application by Insurance Companies**

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority of India ("IRDAI"), (i) a certified copy of certificate of registration issued by IRDAI, (ii) memorandum and articles of association/charter of constitution; (iii) power of attorney; (iv) resolution authorising investments/containing operating instructions; and (v) specimen signatures of authorised signatories must be lodged along with Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.**

Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by the IRDAI from time to time including the IRDA (Investment) Regulations, 2000.

### **Application by Indian Alternative Investment Funds**

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



issued by SEBI. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.**

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

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

#### **Applications by Trusts**

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) power of attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Tranche I Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) **Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.**

#### **Applications by Public Financial Institutions or Statutory Corporations, which are authorised to invest in the NCDs**

The Application must be accompanied by certified true copies of: (i) any act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorised person. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.**

#### **Applications by Provident Funds, Pension Funds, Superannuation Funds and Gratuity Fund, which are authorized to invest in the NCDs**

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

#### **Applications by National Investment Fund**

The Application must be accompanied by certified true copies of: (i) resolution authorising investment and containing operating instructions; and (ii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.**

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

The Application must be accompanied by certified true copies of the registration under the act/ rules under which they are incorporated. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.**

#### **Applications by Indian Scientific and/or industrial research organizations, which are authorized to invest in the NCDs**

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

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

The Application must be accompanied by certified true copies of certified copy of i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason thereof.**

### **Applications under Power of Attorney**

In case of Applications made pursuant to a power of attorney by Applicants who are Institutional Investors or Non- Institutional Investors, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants, a certified copy of the power of attorney must be submitted with the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.**

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

### **APPLICATIONS FOR ALLOTMENT OF NCDs**

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

Our Company, our Directors, affiliates, associates and their respective directors and officers, the Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications (including Applications under the UPI Mechanism) accepted by and/or uploaded by and/or accepted but not uploaded by Trading Members, registered brokers, CDPs, RTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs or failure to block the Application Amount under the UPI Mechanism. It shall be presumed that for Applications uploaded by SCSBs (other than UPI Applications), the Application Amount payable on Application has been blocked in the relevant ASBA Account and for Applications by UPI Investors under the UPI Mechanism, uploaded by Designated Intermediaries, the Application Amount payable on Application has been blocked under the UPI Mechanism.

The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (<https://www.sebi.gov.in>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI (<https://www.sebi.gov.in>) as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of registered brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the website of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com). The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the registered brokers will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### ***Submission of Applications***

Applications can be submitted through either of the following modes:

- (a) Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the Application Form, prior to uploading such Application into the electronic system of the Stock Exchanges. **If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such Application and shall not upload such Application in the electronic system of the Stock Exchanges.** If sufficient funds are available in the ASBA Account, the Designated Branch shall block an

amount equivalent to the Application Amount and upload details of the Application in the electronic system of the Stock Exchanges. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application.

In case of Application being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Application.

- (b) Physically through the Designated Intermediaries at the respective Collection Centres. Kindly note that above Applications submitted to any of the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the Application Form, has not named at least one branch at that Collection Center where the Application Form is submitted (a list of such branches is available at <https://www.sebi.gov.in>).
- (c) A UPI Investor making an Application in the Issue under the UPI Mechanism, where the Application Amount is upto ₹5 lakhs, can submit his Application Form physically to a SCSB or a Designated Intermediary. The Designated Intermediary shall upload the application details along with the UPI ID on the Stock Exchange's bidding platform using appropriate protocols. Kindly note that in this case, the Application Amount will be blocked through the UPI Mechanism.
- (d) A UPI Investor may also submit the Application Form for the Issue through BSE Direct/NSE goBID, wherein the Application will be automatically uploaded onto the Stock Exchange's bidding platform and an amount equivalent to the Application Amount shall be blocked using the UPI Mechanism.

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges. Post which:

- (a) ***for Applications other than under the UPI Mechanism*** - the Application Form shall be forwarded to the relevant branch of the SCSB, in the relevant Collection Center, named by such SCSB to accept such Applications from the Designated Intermediaries (a list of such branches is available at <https://www.sebi.gov.in>). Upon receipt of the Application Form, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. **If sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected.** If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form.
- (b) ***for Applications under the UPI Mechanism*** – once the Application details have been entered in the bidding platform through Designated Intermediaries or BSE Direct/ NSE goBID, the Stock Exchanges shall undertake validation of the PAN and Demat account combination details of the Applicant with the Depository. The Depository shall validate the PAN and Demat account details and send response to the Stock Exchanges which would be shared by the Stock Exchanges with the relevant Designated Intermediary through its platform, for corrections, if any. Post uploading of the Application details on the Stock Exchange's platform, the Stock Exchange shall send an SMS to the Applicant regarding submission of the Application. Post undertaking validation with the Depository, the Stock Exchanges shall, on a continuous basis, electronically share the bid details along with the Applicants UPI ID, with the Sponsor Bank appointed by our Company. The Sponsor Bank shall then initiate a UPI Mandate Request on the Applicant. The request raised by the Sponsor Bank, would be electronically received by the Applicant as an SMS or on the mobile app, associated with the UPI ID linked bank account. The Applicant shall then be required to authorise the UPI Mandate Request. Upon successful validation of block request by the Applicant, the information would be electronically received by the Applicants' bank, where the funds, equivalent to Application Amount, would get blocked in the Applicant's ASBA Account. The status of block request would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchanges. The block request status would also be displayed on the Stock Exchange platform for information of the Designated Intermediaries,

The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/failure of this Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

- (a) Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries at the respective Collection Centres; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would

be serially numbered. Further, the SCSBs will ensure that the Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.

- (b) The Designated Branches of the SCSBs shall accept Application Forms directly from Applicants only during the Issue Period. The SCSBs shall not accept any Application Forms directly from Applicants after the closing time of acceptance of Applications on the Tranche I Issue Closing Date. However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Tranche I Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please see “*General Information – Issue Programme*” on page 27.

**Physical Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.**

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

Please note in accordance with SEBI Circular SEBI/HO/DDHS/PoD1/CIR/P/2023/150 dated September 4, 2023, instructions to investors for completing the application form as specified in Annex- II of the aforesaid circular shall be disclosed on the websites of the Issuer, Lead Managers and Consortium Members during the Tranche I Issue Period and a copy of the Abridged Prospectus shall be made available on the websites of Issuer, Lead Managers and Registrar to the Issue and a link for downloading the Abridged Prospectus shall be provided in issue advertisement for the Issue.

## **INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM**

### **General Instructions**

#### **A. General instructions for completing the Application Form**

- Applications must be made in prescribed Application Form only;
- Application Forms must be completed in **BLOCK LETTERS IN ENGLISH**, as per the instructions contained in the the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Abridged Prospectus and the Application Form. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.;
- If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names;
- Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta. If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names;
- Applicants must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant’s active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchanges by SCSBs, the Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs;
- Applications must be for a minimum of 10 NCDs and in multiples of one NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 NCDs, an Applicant may choose to apply for 10 NCDs of the same option or across different option;
- If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form;
- Applications for all the Series of the NCDs may be made in a single Application Form only;
- It shall be mandatory for Applicants to the Issue to furnish their Permanent Account Number and any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction;
- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be

required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;

- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta;
- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the Eighth Schedule of the Constitution of India needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal;
- ASBA Applicants need to give the correct details of their ASBA Account including bank account number/ bank name and branch/ UPI ID in case of applying through UPI Mechanism;
- The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Acknowledgement Slip. This Acknowledgement Slip will serve as the duplicate of the Application Form for the records of the Applicant;
- Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be;
- Every Applicant should hold valid Permanent Account Number and mention the same in the Application Form;
- All Applicants need to tick the Series of NCDs in the Application Form that they wish to apply for;
- All Applicants are required to tick the relevant column of “Category of Investor” in the Application Form;
- All Applicants should correctly mention the ASBA Account number and UPI ID in case applying through UPI Mechanism and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant’s bank records, otherwise the Application is liable to be rejected.
- Applicants should ensure that their Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the stock exchange(s) at the Specified Cities, and not directly to the escrow collecting banks (assuming that such bank is not a SCSB) or to the Company or the Registrar to the Issue.
- Applications through Syndicate ASBA, before submitting the physical Application Form to the Members of the Syndicate or Trading Members of the stock exchange(s), ensure that the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has named at-least one branch in that Specified City for the Members of the Syndicate or Trading Members of the stock exchange(s), as the case may be, to deposit ASBA Forms (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>)
- No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Members of Consortium, Trading Members of the Stock Exchanges or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Transaction Registration Slip (“TRS”). This TRS will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the Lead Manager, Trading Member of the Stock Exchanges or the Designated Branch of the SCSBs, as the case may be.
- Application Forms should bear the stamp of the Member of the Syndicate, Trading Member of the Stock Exchanges, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.

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

**Applicants should note that neither the Members of Syndicate, Trading Member of the Stock Exchanges, Public Issue Account Banks nor Designated branches of SCSBs, as the case may be, will be liable for error in data**

**entry due to incomplete or illegible Application Forms. Our Company would allot the NCDs, as specified in the Tranche I Prospectus for the Issue to all valid Applications, wherein the Applicants have not indicated their choice of the relevant option of NCDs.**

**B. Applicant's Beneficiary Account Details**

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

On the basis of the Demographic Details as appearing on the records of the DP, the Registrar to the Issue will take steps towards demat credit of NCDs. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in demat credit and neither our Company, Designated Intermediaries, SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same.

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

By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to this Issue. Allotment Advice would be mailed by speed post or registered post at the address of the Applicants as per the Demographic Details received from the Depositories. Applicants may note that delivery of Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Further, please note that any such delay shall be at such Applicants' sole risk and neither our Company, Registrar to the Issue, Public Issue Account Bank, Sponsor Bank nor the Lead Managers shall be liable to compensate the Applicant for any losses caused to the Applicants due to any such delay or liable to pay any interest for such delay. In case of refunds through electronic modes as detailed in the Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

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

**C. Unified Payments Interface (UPI)**

Pursuant to the SEBI Master Circular, the UPI Mechanism is an applicable payment mechanism for public debt issues (in addition to the mechanism of blocking funds maintained with SCSBs under ASBA) for applications by retail individual bidders through Designated Intermediaries. All SCSBs offering the facility of making applications in public issues shall also provide the facility to make applications using UPI. The Company will be required to appoint one SCSB as a Sponsor Bank to act as a conduit between the Stock Exchanges and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

**D. Permanent Account Number**

The Applicant should mention his or her Permanent Account Number allotted under the IT Act. For minor Applicants, applying through the guardian, it is mandatory to mention the PAN of the minor Applicant. In accordance with Circular No. MRD/DOP/Cir-05/2007 dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the securities market, irrespective of the amount of transaction. **Any Application Form, without the PAN is liable to be rejected, irrespective of the amount of transaction. It is to be specifically noted that the Applicants should not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.**

However, Applications on behalf of the central or state government officials and the officials appointed by the courts in terms of a SEBI circular dated June 30, 2008 and Applicants residing in the state of Sikkim who in terms of a SEBI circular dated July 20, 2006 may be exempt from specifying their PAN for transacting in the securities market. The exemption for the central or state government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants' verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field i.e. either Sikkim category or exempt category.

#### **E. Joint Applications**

Applications may be made in single or joint names (not exceeding three). In the case of joint Applications all interest / redemption amount payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein. If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

#### **F. Additional/Multiple Applications**

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

#### **Do's and Don'ts**

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

##### **Do's**

1. Check if you are eligible to apply as per the terms of the Shelf Prospectus and this Tranche I Prospectus and applicable law, rules, regulations, guidelines and approvals.
2. Read all the instructions carefully and complete the Application Form in the prescribed form.
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to this Issue.
4. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchanges are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID, Client ID, PAN and UPI ID (wherever applicable) are correct and the depository account is active as Allotment of the Equity Shares will be in dematerialized form only. The requirement for providing Depository Participant details is mandatory for all Applicants.
5. Ensure that you have mentioned the correct ASBA Account number (for all Applicants other than UPI Investors applying using the UPI Mechanism) in the Application Form. Further, UPI Investors using the UPI Mechanism must also mention their UPI ID.
6. UPI Investors applying using the UPI Mechanism shall ensure that the bank, with which they have their bank account, where the funds equivalent to the application amount are available for blocking, is certified by NPCI before submitting the ASBA Form to any of the Designated Intermediaries.
7. UPI Investors applying using the UPI Mechanism through the SCSBs and mobile applications shall ensure that the name of the bank appears in the list of SCSBs which are live on UPI, as displayed on the SEBI website. UPI Investors

shall ensure that the name of the app and the UPI handle which is used for making the application appears on the list displayed on the SEBI website. An application made using incorrect UPI handle or using a bank account of an SCSB or bank which is not mentioned on the SEBI website is liable to be rejected.

8. Ensure that the Application Form is signed by the ASBA Account holder (or the UPI-linked bank account holder, as the case may be) in case the Applicant is not the ASBA account holder. Applicants (except UPI Investors making an Application using the UPI Mechanism) should ensure that they have an account with an SCSB and have mentioned the correct bank account number of that SCSB in the Application Form. UPI Investors applying using the UPI Mechanism should ensure that they have mentioned the correct UPI- linked bank account number and their correct UPI ID in the Application Form.
9. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be.
10. UPI Investors making an Application using the UPI Mechanism, should ensure that they approve the UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to Application Amount and subsequent debit of funds in case of Allotment, in a timely manner.
11. UPI Investors making an Application using the UPI Mechanism shall ensure that details of the Application are reviewed and verified by opening the attachment in the UPI Mandate Request and then proceed to authorise the UPI Mandate Request using their UPI PIN. Upon the authorization of the mandate using their UPI PIN, the UPI Investor may be deemed to have verified the attachment containing the application details of the UPI Investor making and Application using the UPI Mechanism in the UPI Mandate Request and have agreed to block the entire Application Amount and authorized the Sponsor Bank to issue a request to block the Application Amount mentioned in the ASBA Form in their ASBA Account.
12. UPI Investors making an Application using the UPI Mechanism should mention valid UPI ID of only the Applicants (in case of single account) and of the first Applicant (in case of joint account) in the ASBA Form.
13. UPI Investors making an Application using the UPI Mechanism, who have revised their Application subsequent to making the initial Application, should also approve the revised UPI Mandate Request generated by the Sponsor Bank to authorise blocking of funds equivalent to the revised Application Amount in their account and in case of Allotment in a timely manner.
14. Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Collection Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediary/ Designated Branch of the SCSB.
15. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Collection Centre.
16. Ensure that you have been given an TRS and an acknowledgement as proof of having accepted the Application Form from the Designated Branch or the concerned Designated Intermediary or Trading Members of the stock exchange(s), as the case may be, for the submission of the Application Form.
17. Applicants may revise/ modify their Application details during the Tranche I Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to the Designated Intermediary, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes;
18. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
19. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta.
20. Ensure that the Applications are submitted to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 27.



21. Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
22. **Permanent Account Number:** Each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected.
23. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
24. All Applicants should choose the relevant option in the column “Category of Investor” in the Application Form.
25. Choose and mark the option of NCDs in the Application Form that you wish to apply for.
26. Check if you are eligible to Apply under ASBA.
27. In terms of SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for Applications.

**Don'ts:**

1. Do not apply for lower than the minimum Application size.
2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest.
3. Do not send Application Forms by post. Instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be.
4. Do not submit the Application Form to any non-SCSB bank or our Company.
5. Do not apply through an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.
6. Do not fill up the Application Form such that the NCDs applied for exceeds the Tranche I Issue Size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations.
7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
8. Do not submit incorrect details of the DP ID, Client ID, PAN and UPI ID (wherever applicable) or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue.
9. Do not submit the Application Form without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account or in the case of UPI Investors making and Application using the UPI Mechanism, in the UPI-linked bank account where funds for making the Application are available.
10. Do not submit Applications on plain paper or on incomplete or illegible Application Forms.
11. Do not apply if you are not competent to contract under the Indian Contract Act, 1872.
12. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise.
13. Do not submit Applications to a Designated Intermediary at a location other than Collection Centres.
14. Do not submit an Application that does not comply with the securities law of your respective jurisdiction.

15. Do not apply if you are a person ineligible to apply for NCDs under this Issue including Applications by Persons Resident Outside India, NRI (inter-alia including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA).
16. Do not make an Application of the NCD on multiple copies taken of a single form.
17. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue.
18. Do not link the UPI ID with a bank account maintained with a bank that is not UPI 2.0 certified by the NPCI in case of Bids submitted by UPI Investors using the UPI Mechanism.
19. Do not submit more than five Application Forms per ASBA Account.
20. If you are a Retail Individual Investor who is submitting the ASBA Application with any of the Designated Intermediaries and using your UPI ID for the purpose of blocking of funds, do not use any third party bank account or third-party linked bank account UPI ID.
21. Do not submit an Application Form using UPI ID, if the Application is for an amount more than UPI Application Limit and if the Application is for an amount more than ₹ 5,00,000.
22. Do not submit a bid using UPI ID, if you are not a Retail Individual Investor.

Please also see “*Issue Procedure – Operational Instructions and Guidelines*” on page 106.

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

Please see “*Issue Procedure – Rejection of Applications*” on page 123 for information on rejection of Applications.

#### **TERMS OF PAYMENT**

The Application Forms will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Collection Centres, named by such SCSB to accept such Applications from the Designated Intermediaries, as the case may be (a list of such branches is available at <https://www.sebi.gov.in>).

For Applications other than those under the UPI Mechanism, the relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the Application. For Applications under the UPI Mechanism, i.e., upto ₹5 lakhs, the Stock Exchanges shall undertake validation of the PAN and Demat account combination details of the Applicant with the Depository. The Depository shall validate the PAN and Demat account details and send response to the Stock Exchanges which would be shared by the Stock Exchanges with the relevant Designated Intermediary through its platform, for corrections, if any. The blocking of funds in such case (not exceeding ₹5 lakhs) shall happen under the UPI Mechanism.

The entire Application Amount for the NCDs is payable on Application only. The relevant SCSB shall block an amount equivalent to the entire Application Amount in the ASBA Account at the time of upload of the Application Form. In case of Allotment of lesser number of NCDs than the number applied, the Registrar to the Issue shall instruct the SCSBs or the Sponsor Bank (as the case maybe) to unblock the excess amount in the ASBA Account.

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

For Applications submitted under the UPI Mechanism, post the successful validation of the UPI Mandate Request by the Applicant, the information would be electronically received by the Applicants’ bank, where the funds, equivalent to Application Amount, would get blocked in the Applicant’s ASBA Account.

**Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the Application. An Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.**

**A UPI Investor applying through the UPI Mechanism should ensure that, they check the relevant SMS generated for the UPI Mandate Request and all other steps required for successful blocking of funds in the UPI linked bank account,**

**which includes accepting the UPI Mandate Request by 5:00 pm on the third Working Day from the day of bidding on the Stock Exchanges (except on the last day of the Issue Period, where the UPI Mandate Request not having been accepted by 5:00 pm of the next Working Day), have been completed.**

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

#### **SUBMISSION OF COMPLETED APPLICATION FORMS**

<b>Mode of Submission of Application Forms</b>	<b>To whom the Application Form has to be submitted</b>
ASBA Applications	(i) If using <u>physical Application Form</u> , (a) to the Designated Intermediaries at relevant Collection Centres, or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (ii) If using <u>electronic Application Form</u> , to the SCSBs, electronically through internet banking facility, if available.
Applications under the UPI Mechanism	(i) Through the Designated Intermediary, physically or electronically, as applicable; or (ii) Through BSE Direct/NSE goBID.

**No separate receipts will be issued for the Application Amount payable on submission of Application Form.** However, the Designated Intermediaries will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants an Acknowledgement Slips which will serve as a duplicate Application Form for the records of the Applicant.

#### **Electronic Registration of Applications**

- i. The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications (including those under the UPI Mechanism) using the on-line facilities of the Stock Exchanges. **The Members of Syndicate, our Company and the Registrar to the Issue or the Lead Managers is not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, (v) any Applications accepted and uploaded and/or not uploaded by the Trading Members of the Stock Exchanges or (vi) any Application made under the UPI Mechanism, accepted or uploaded or failed to be uploaded by a Designated Intermediary or through the app/web based interface of the Stock Exchanges and the corresponding failure for blocking of funds under the UPI Mechanism.**

In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchanges. However, the option, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for Allotment/rejection of Application.

- ii. The Stock Exchanges will offer an electronic facility for registering Applications for this Issue. This facility will be available on the terminals of Designated Intermediaries and the SCSBs during the Issue Period. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on this Issue Closing Date. On the Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please see “*General Information – Issue Programme*” on page 27. Based on the aggregate demand for Applications registered on the electronic facilities of the Stock Exchanges, a graphical representation of consolidated demand for the NCDs, as

available on the websites of the Stock Exchanges, would be made available at the Application centres as provided in the Application Form during the Issue Period.

- iii. With respect to Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:
- Application Form number
  - PAN (of the first Applicant, in case of more than one Applicant)
  - Investor category and sub-category
  - DP ID
  - Client ID
  - UPI ID (if applicable)
  - Number of NCDs applied for
  - Price per NCD
  - Bank code for the SCSB where the ASBA Account is maintained
  - Bank account number
  - Location
  - Application amount
- iv. With respect to Applications submitted to the Designated Intermediaries, at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:
- Application Form number
  - PAN (of the first Applicant, in case of more than one Applicant)
  - Investor category and sub-category
  - DP ID
  - Client ID
  - UPI ID (if applicable)
  - Number of NCDs applied for
  - Price per NCD
  - Bank code for the SCSB where the ASBA Account is maintained
  - Bank account number
  - Location
  - Application amount
- v. A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.**
- vi. **Applications can be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect.** The permission given by the Stock Exchanges to use its network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.
- vii. **Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment.** The Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured is accurate the Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

## REJECTION OF APPLICATIONS

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

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

- (a) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicants' ASBA Account maintained with an SCSB;
- (c) Applications not being signed by the sole/joint Applicant(s);
- (d) Number of NCDs applied for or Applications for an amount being less than the minimum Application size;
- (e) Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as per Tranche I Prospectus;
- (f) Applications not made through the ASBA facility
- (g) Investor Category in the Application Form not being ticked;
- (h) Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may Allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;
- (i) Applications where a registered address in India is not provided for the non-Individual Applicants;
- (j) In case of partnership firms, the Application Forms submitted in the name of individual partners and/or accompanied by the individual's PAN rather than the PAN of the partnership firm;
- (k) Application Amounts blocked not tallying with the number of NCDs applied for;
- (l) Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- (m) PAN not mentioned in the Application Form., except for Applications by or on behalf of the central or state government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned;
- (n) DP ID, Client ID or UPI ID (wherever applicable) not mentioned in the Application Form;
- (o) GIR number furnished instead of PAN;
- (p) Applications by OCBs;
- (q) Applications for an amount below the minimum Application size;
- (r) Submission of more than five ASBA Forms per ASBA Account;
- (s) Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
- (t) Applications under power of attorney or by limited companies, corporate, trust etc. submitted without relevant documents;
- (u) Applications accompanied by stock invest/ cheque/ money order/ postal order/ cash;
- (v) Signature of sole Applicant missing, or in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository);
- (w) Applications by persons debarred from accessing capital markets, by SEBI or any other appropriate regulatory authority;

- (x) Date of birth for first/sole Applicant for persons applying for allotment not mentioned in the Application Form;
- (y) Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant;
- (z) Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;
- (aa) Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediary, as the case may be;
- (bb) ASBA Applications not having details of the ASBA Account or the UPI-linked Account to be blocked;
- (cc) In case no corresponding record is available with the Depositories that matches the parameters namely, DP ID, Client ID, UPI ID and PAN or if PAN not available in the Depository database;
- (dd) Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- (ee) SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
- (ff) Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;
- (gg) Authorization to the SCSB for blocking funds in the ASBA Account not provided or acceptance of UPI Mandate Request raised has not been provided;
- (hh) Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- (ii) Applications by any person outside India;
- (jj) Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;
- (kk) The UPI Mandate Request is not approved by the Retail Individual Investor within prescribed timelines;
- (ll) Applications not uploaded on the online platform of the Stock Exchanges;
- (mm) Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable;
- (nn) Application Forms not delivered by the Applicant within the time prescribed as per the Application Form, the Prospectus and as per the instructions in the Application Form and this Tranche I Prospectus;
- (oo) Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- (pp) Applications providing an inoperative demat account number;
- (qq) Applications submitted to the Designated Intermediaries other than the Collection Centres or at a Branch of a SCSB which is not a Designated Branch;
- (rr) Applications submitted directly to the Public Issue Bank (except in case the ASBA Account is maintained with the said bank as a SCSB);
- (ss) Investor category not ticked;
- (tt) Forms not uploaded on the electronic software of the Stock Exchanges;
- (uu) In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application;

- (vv) where PAN details in the Application Form and as entered into the electronic system of the Stock Exchanges, are not as per the records of the Depositories;
- (ww) A UPI Investor applying through the UPI Mechanism, not having accepted the UPI Mandate Request by 5:00 pm on the third Working Day from the day of bidding on the stock exchange except on the last day of the Issue Period, where the UPI Mandate Request not having been accepted by 5:00 pm of the next Working Day; and
- (xx) A non-UPI Investor making an Application under the UPI Mechanism, i.e., an Application for an amount more than ₹5 lakhs.

For information on certain procedures to be carried out by the Registrar to the Issue for finalization of the Basis of Allotment, please see “*Information for Applicants*” below.

### **Information for Applicants**

Upon the closure of the Issue, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID, UPI ID (where applicable) and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database and prepare list of technical rejection cases. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such Applications or treat such Applications as rejected.

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

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

### **Green Shoe Option / Retention of oversubscription**

The base issue size of this Tranche I Issue is ₹ 200 crore. Our Company may at its discretion have the option to retain any amount of oversubscription up to ₹ 800 crore.

### **Basis of Allotment**

The Registrar to the Issue will aggregate the Applications based on the Applications received through an electronic book from the Stock Exchanges and determine the valid Applications for the purpose of drawing the Basis of Allotment. Grouping of the Applications received will be then done in the following manner:

#### **Grouping of Applications and allocation ratio**

For the purposes of the basis of allotment:

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

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

For the purposes of determining the number of Secured NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of Secured NCDs to be allotted over and above the Base Issue, in case our Company opts to retain any oversubscription in this Tranche I Issue up to an amount specified under this

Tranche I Prospectus. The aggregate value of NCDs decided to be allotted over and above the Base Issue, (in case our Company opts to retain any oversubscription in this Tranche I Issue), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed in this Tranche I Prospectus.

#### Allocation Ratio

Particulars	Institutional Portion	Non-Institutional Portion	High Net Worth Individual Investors Portion	Retail Individual Investors Portion
% of the Tranche I Issue Size	20%	20%	30%	30%
Base Issue Size in amount (₹ in Crore)	40	40	60	60
Total Tranche I Issue Size in amount (₹ in Crore)	200	200	300	300

#### (a) Allotments in the first instance:

- (i) Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 20% of Tranche I Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;
- (ii) Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 20% of Tranche I Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;
- (iii) Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 30% of Tranche I Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges;
- (iv) Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 30% of Tranche I Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchanges.

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchanges, in each Portion subject to the Allocation Ratio indicated herein above.

As per the SEBI Master Circular, the allotment in this Tranche I Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, from the date of oversubscription and thereafter, the allotments will be made to the applicants on proportionate basis.

#### (b) Under Subscription

- (i) If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and balance, if any, shall be first made to applicants of the Non Institutional Portion, followed by the Institutional Portion on a first come first serve basis, on proportionate basis. If there is under subscription in the Tranche I Issue Size due to under subscription in each Portion, all valid Applications received till the end of last day of the Tranche I Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.
- (ii) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchanges would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges exceeds NCDs to be Allotted for each portion respectively from the date of oversubscription and thereafter.
- (iii) Minimum Allotments of 10 NCDs and in multiples of 1 NCD thereafter would be made in case of each valid Application to all Applicants.



### **(c) Allotments in case of oversubscription**

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

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

- (i) In case of an oversubscription in all Portions resulting in an oversubscription in the Tranche I Issue Size, Allotments to the maximum permissible limit, as possible, will be made on a first-come first serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first serve basis up to the date falling 1 (one) day prior to the date of oversubscription to respective Portion and proportionate allotment of NCDs to the Applicants from the date of oversubscription in respective Portion (based on the date of upload of each Application on the electronic platform of the Stock Exchanges in each Portion). The date of oversubscription will be determined as per the bucket size based on the allocation ratio stated in this Tranche I Prospectus not taking into account any spill overs due to undersubscription in other categories.
- (ii) In case there is oversubscription in Tranche I Issue Size, however there is under subscription in one or more Portion(s), Allotments will be made in the following order:
  - a) All valid Applications in the undersubscribed Portion(s) uploaded on the electronic platform of the Stock Exchanges till the end of the last day of the Tranche I Issue Period, shall receive full and firm allotment.
  - b) In case of Portion(s) that are oversubscribed, allotment shall be made to valid Applications received on a first come first serve basis, based on the date of upload of each Application in to the electronic platform of the Stock Exchanges. Priority for allocation of the remaining undersubscribed Portion(s) shall be given to day wise Applications received in the Retail Individual Investors Portion followed by High Net Worth Individual Investors Portion, next Non-Institutional Portion and lastly Institutional Portion each according to the day of upload of Applications to the Electronic Book with Stock Exchanges during the Tranche I Issue period.
  - c) For the sake of clarity, once full and firm allotment has been made to all the valid Applications in the undersubscribed portion, the remaining balance in the undersubscribed Portion will be Allocated to the oversubscribed Portion(s) and proportionate allotments shall be made to all valid Applications in the oversubscribed Portion(s) uploaded on the date of oversubscription and thereafter on the remaining days of the Tranche I Issue Period.

### **(d) Proportionate Allotments:**

For each Portion, from the date of oversubscription and thereafter:

- (i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.
- (ii) If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Tranche I Issue size, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.
- (iii) In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

### **Applicant applying for more than one Series of NCDs**

If an Applicant has applied for more than one Series of NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of NCDs applied for, the Series-wise allocation of NCDs to such Applicants shall be in proportion to the number of NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Managers and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the four Series and in case such Applicant cannot be allotted all the four Series, then the Applicant would be allotted NCDs, at the discretion of the Company, the Registrar and the Lead Managers

wherein the NCDs with the least tenor i.e. Allotment of NCDs with tenor of 2 years followed by Allotment of NCDs with tenor of 3 years.

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

The Company shall allocate and allot Series II to all valid applications, wherein the Applicants have not indicated their choice of the relevant NCD Series.

The Company has the discretion to close the Tranche I Issue early irrespective of whether any of the Portion(s) are fully subscribed or not. The Company shall allot NCDs with respect to the Applications received till the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

### **Information for Applicants**

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

### **Unblocking of funds**

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

In case of ASBA Applications submitted to the SCSBs, in terms of the RTA Master Circular, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected. In case of Applicants submitted to the Lead Managers, Consortium Members and Trading Members of the Stock Exchanges at the Specified Cities, the basis of allotment will be based on the Registrar's validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Manager and the Registrar to the Issue, reserves the right to proceed as per Depository records or treat such ASBA Application as rejected. Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

### **Mode of making refunds**

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

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

Further,

- a) Allotment of NCDs in this Issue shall be made within the time period stipulated by SEBI;
- b) Credit to dematerialised accounts will be given within one Working Day from the Date of Allotment;
- c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund effected within six Working Days from the Tranche I Issue Closing Date, for the delay beyond five Working Days; and

d) Our Company will provide adequate funds to the Registrar to the Issue for this purpose

### **ISSUANCE OF ALLOTMENT ADVICE**

Our Company shall ensure dispatch of Allotment Advice and/ or give instructions for credit of NCDs to the beneficiary account with Depository Participants upon approval of Basis of Allotment. The Allotment Advice for successful Applicants will be mailed by speed post/registered post to their addresses as per the Demographic Details received from the Depositories.

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

Allotment Advices shall be issued or Application Amount shall be unblocked within 6 (six) Working Days from the Tranche I Issue Closing Date or such lesser time as may be specified by SEBI or else the Application Amount shall be unblocked in the ASBA Accounts or the UPI linked bank accounts (for Applications under the UPI Mechanism) of the Applicants forthwith failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

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

### **OTHER INFORMATION**

#### **Withdrawal of Applications during the Tranche I Issue Period**

Applicants can withdraw their Applications until the Tranche I Issue Closing Date. In case an Applicant wishes to withdraw the Application during the Tranche I Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite.

In case of Applications (other than under the UPI Mechanism) were submitted to the Designated Intermediaries, upon receipt of the request for withdrawal from the Applicant, the relevant Designated Intermediary, as the case may be, shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchanges and intimating the Designated Branch of the SCSB to unblock of the funds blocked in the ASBA Account at the time of making the Application. In case of Applications (other than under the UPI Mechanism) submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn Application Form from the electronic system of the Stock Exchanges and unblocking of the funds in the ASBA Account, directly.

#### **Withdrawal of Applications after the Tranche I Issue Period**

In case an Applicant wishes to withdraw the Application after the Tranche I Issue Closing Date or early closure date, the same can be done by submitting a withdrawal request to the Registrar to the Tranche I Issue prior to the finalization of the Basis of Allotment but not later than 2 (two) Working Days from the Issue Closing Date or early closure date, as applicable.

#### **Revision of Applications**

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

Applicants may revise/ modify their Application details during the Tranche I Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to the Designated Intermediary and the Designated Branch of the SCSBs, as the case may be. For Applications made under the UPI Mechanism, an Applicant shall not be allowed to add or modify the details of the Application except for modification of either DP ID/Client ID, or PAN ID but not both. However, the Applicant may withdraw the Application and reapply.

However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/ modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchanges as per the procedures and requirements prescribed by the Stock Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

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

for reconciliation with the data available with the NSDL and CDSL. Please also see, “*Issue Procedure – Operational Instructions and Guidelines - Modification and cancellation of orders*” on page 107.

### **Depository Arrangements**

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

As per the provisions of the Depositories Act, 1996, the NCDs issued by us can be held in a dematerialised form. In this context:

- (i) Tripartite agreement dated January 19, 2010 among our Company, the Registrar and NSDL and tripartite agreement dated January 15, 2010 among our Company, the Registrar and CDSL, respectively for offering depository option to the investors.
- (ii) An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
- (iii) The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.
- (iv) NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant’s respective beneficiary account(s) with the DP.
- (v) Non-transferable Allotment Advice will be directly sent to the Applicant by the Registrar to this Issue.
- (vi) It may be noted that NCDs in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges has connectivity with NSDL and CDSL.
- (vii) Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those Debenture Holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
- (viii) The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One NCD only.

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

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

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

### **Communications**

All future communications in connection with Applications made in this Issue (except the Applications made through the Trading Members of the Stock Exchanges) should be addressed to the Registrar to the Issue, quoting the full name of the sole or first Applicant, Application Form number, Applicant’s DP ID and Client ID, Applicant’s PAN, number of NCDs applied for, ASBA Account number in which the amount equivalent to the Application Amount was blocked or the UPI ID (for UPI Investors who make the payment of Application Amount through the UPI Mechanism), date of the Application Form, name and address of the Designated Intermediary or Designated Branch of the SCSBs, as the case may be, where the Application was submitted.

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

Applicants may contact our Compliance Officer and Company Secretary or the Registrar to the Issue in case of any pre- Issue or post-Issue related problems such as non-receipt of Allotment Advice or credit of NCDs in the respective beneficiary accounts, as the case may be.

### **Interest in case of delay**

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

### **Utilisation of Application Amounts**

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

### **Utilisation of Issue Proceeds**

Our Board of Directors certifies that:

- (i) all monies received out of the Issue of the NCDs to the public shall be transferred to a separate bank account maintained with a scheduled bank, other than the bank account referred to in section 40(3) of the Companies Act 2013 and the SEBI NCS Regulations, and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals;
- (ii) the allotment letter shall be issued, or application money shall be refunded in accordance with the Applicable Law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period (iii) details of all monies utilised out of the Issue referred to in sub-item (i) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies were utilized;
- (iii) details of all unutilised monies out of the Issue referred to in sub-item (i), if any, shall be disclosed under an appropriate separate head in our balance sheet indicating the form of financial assets in which such unutilized monies have been invested;
- (iv) we shall utilize the Issue proceeds only upon creation of security as stated in this Tranche I Prospectus in the section titled "*Terms of the Issue*" on page 83 and after (a) permissions or consents for creation of charge over the assets of the Company and for further raising of funds have been obtained from the creditors; (b) receipt of the minimum subscription of 75% of the Base Issue Size pertaining to the Issue; (c) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (d) creation of security and confirmation of the same in terms of NCDs and (e) receipt of listing and trading approval from Stock Exchanges;
- (v) the Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any property;
- (vi) the Issue proceeds shall be utilized in compliance with various guidelines, regulations and clarifications issued by RBI, SEBI or any other statutory authority from time to time. Further the Issue proceeds shall be utilised only for the purpose and objects stated in the Offer Documents; and
- (vii) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within 6 Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws.

### **Undertaking by the Issuer**

"Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the Securities and Exchange Board of India (SEBI) nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of investors is invited to the statement of "*Risk factors*" on page 21 of the Shelf Prospectus.

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Offer Document contains all information with regard to the issuer and the issue, that the information contained in the offer document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The issuer has no side letter with any debt securities holder except the one(s) disclosed in the offer document/offer document. Any covenants later added shall be disclosed on the stock exchange website where the debt is listed."

Our Company undertakes that:

- (a) All monies received pursuant to this Issue shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013;
- (b) Details of all monies utilised out of this Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies had been utilised;
- (c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our balance sheet indicating the form in which such unutilised monies have been invested;
- (d) We shall utilize the Issue proceeds only upon execution of the Debenture Trust Deed as stated in this Tranche I Prospectus, on receipt of the minimum subscription of 75% of the Base Issue and receipt of listing and trading approval from the Stock Exchanges;
- (e) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property, dealing in equity of listed companies or lending/investment in group companies;
- (f) The allotment letter shall be issued, or Application Amount shall be unblocked in accordance with the applicable law, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.
- (g) Details of all monies unutilised out of the previous issues made by way of public issuer, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested;
- (h) The experts named in Tranche I Prospectus are not, and has not been, engaged or interested in the formation or promotion or management, of our Company.

***Other Undertakings by our Company***

Our Company undertakes that:

- (a) Complaints received in respect of this Tranche I Issue (except for complaints in relation to Applications submitted to Trading Members) will be attended to by our Company expeditiously and satisfactorily;
- (b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;
- (c) Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within six Working Days of this Tranche I Issue Closing Date;
- (d) Funds required for dispatch of Allotment Advice/NCD Certificates (only upon rematerialisation of NCDs at the specific request of the Allottee/ Holder of NCDs) will be made available by our Company to the Registrar to the Issue;
- (e) Our Company will forward details of utilisation of the proceeds of this Issue, duly certified by the Joint Statutory Auditors, to the Debenture Trustee on a half-yearly basis;
- (f) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of this Tranche I Issue as contained in this Tranche I Prospectus;
- (g) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report and website;
- (h) Our Company shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time; and
- (i) We have created a recovery expense fund in the manner as specified by SEBI from time to time and will inform the Debenture Trustee about the same

## SECTION IV – MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company from 10:00 a.m. to 5:00 p.m. on any Working Day from the date of filing of this Tranche I Prospectus with the Stock Exchanges, SEBI and ROC.

### A. *Material Contracts*

1. Issue Agreement dated August 28, 2023 executed between our Company and the Lead Managers.
2. Registrar Agreement dated August 28, 2023 executed between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated August 28, 2023 executed between our Company and the Debenture Trustee.
4. Public Issue Account Agreement dated October 16, 2023 executed between our Company, the Registrar, the Public Issue Account Bank, Refund Bank and Sponsor Bank, and the Lead Managers.
5. Consortium Agreement dated October 16, 2023 executed between our Company, the Consortium Members and the Lead Managers.
6. Agreed form of Debenture Trust Deed to be executed between our Company and the Debenture Trustee.
7. Tripartite Agreement dated January 19, 2010 entered into between our Company, Registrar to the Issue and NSDL.
8. Tripartite Agreement dated January 15, 2010 entered into between our Company, Registrar to the Issue and CDSL.

### B. *Material Documents*

1. Memorandum of Association and Articles of Association of our Company.
2. Certificate of Incorporation of our Company and certificates of incorporation consequent upon change in name of our Company.
3. The certificate of registration bearing number N-13-02432 dated July 21, 2022 issued by the RBI to commence/ carry on the business of non-banking financial institution.
4. Credit rating letter dated June 27, 2023 revalidated by way of letter dated October 9, 2023 from ICRA Limited assigning a rating [ICRA]AA (Stable) (Double A; Outlook: Stable) to the NCDs with rating rationale and press release dated July 5, 2023.
5. Credit rating letter dated August 1, 2023 revalidated by way of letter dated October 13, 2023 from CARE Ratings Limited assigning a rating CARE AA; Stable (Double A; Outlook: Stable) to the NCDs with rating rationale dated and press release dated August 3, 2023.
6. Copy of the resolution passed at a meeting of Administrative Committee held on August 22, 2023 authorising this Issue for an amount aggregating up to ₹ 3,000 Crore.
7. Copy of the resolution passed by our Board dated May 5, 2023, approving the issuance of the NCDs.
8. Copy of the resolution passed by our Shareholders, pursuant to Section 180(1)(c) of the Companies Act, 2013, at the AGM held on August 1, 2016, approving the overall borrowing limit of our Company.
9. Copy of the resolution passed by our Shareholders, pursuant to Section 180(1)(a) of the Companies Act, 2013, at the AGM held on July 25, 2014, approving the security creation limits of our Company.
10. Copy of the composite scheme of arrangement between our Company, Piramal Pharma Limited, Convergence Chemicals Private Limited, Hemmo Pharmaceuticals Private Limited and PHL Fininvest Private Limited and their respective shareholders and creditors.
11. Copy of the resolution of our Administrative Committee dated August 28, 2023 for approval of the Draft Shelf Prospectus.

12. Copy of the resolution of our Administrative Committee dated October 16, 2023 for approval of this Tranche I Prospectus.
13. Copy of the resolution of our Administrative Committee dated October 16, 2023 for approval of the Shelf Prospectus
14. Consents of our Directors, Lead Managers to the Issue, Chief Financial Officer, Key Managerial Personnel, Company Secretary and Compliance Officer, Debenture Trustee for the NCDs, Credit Rating Agencies for this Issue, Consortium Members, Public Issue Bank, Refund Bank and Sponsor Bank, Legal Counsel to the Issue, the Registrar to the Issue, to include their names in this Tranche I Prospectus, in their respective capacity.
15. The consent dated August 28, 2023 from the Joint Statutory Auditors of our Company, namely M/s. Suresh Surana & Associates LLP and Bagaria & Co. LLP for inclusion of: (a) their names as the Joint Statutory Auditors and as “experts” as defined under Section 2(38) of the Companies Act, (b) audit reports on the Audited Financial Statements FY 2023, and (c) limited review reports dated July 28, 2023, in relation to the Unaudited Financial Results in the Draft Shelf Prospectus, the Shelf Prospectus, and the relevant Tranche Prospectus.
16. The consent dated August 28, 2023 from the Previous Auditors of our Company, namely Deloitte Haskins & Sells LLP for inclusion of: (a) their names as previous statutory auditors and as “experts” as defined under Section 2(38) of the Companies Act, and (b) audit reports on the Audited Financial Statements FY 2021 and the Audited Financial Statements FY 2022 in the Draft Shelf Prospectus.
17. The consent dated October 13, 2023 from the Previous Auditors of our Company, namely Deloitte Haskins & Sells LLP for inclusion of: (a) their names as previous statutory auditors and as “experts” as defined under Section 2(38) of the Companies Act, and (b) audit reports on the Audited Financial Statements FY 2021 and the Audited Financial Statements FY 2022 in the Shelf Prospectus.
18. Consent letter dated August 28, 2023 from Joint Statutory Auditors of our Company, namely M/s. Suresh Surana & Associates LLP and Bagaria & Co. LLP for inclusion of the statement of possible tax benefits available to the debenture holders in the form and context in which they appear in the Shelf Prospectus.
19. Consent of CRISIL Limited dated October 16, 2023 as the agency issuing the industry report titled “*CRISIL Market Intelligence & Analytics (CRISIL MI&A) – NBFC Report released in Mumbai in September, 2023*”.
20. Statement of possible tax benefits issued by Joint Statutory Auditors of our Company.
21. Annual reports of our Company for the financial years ended March 31, 2023, 2022 and 2021.
22. Limited review reports dated July 28, 2023 in relation to the Unaudited Financial Results.
23. Audit reports dated May 5, 2023 from the Joint Statutory Auditors of our Company in relation to the Audited Financial Statements FY 2023.
24. Audit reports dated May 26, 2022 from the Previous Auditors of our Company, namely Deloitte Haskins & Sells LLP in relation to the Audited Financial Statements FY 2022.
25. Audit reports dated June 1, 2021 from the Previous Auditors of our Company, namely Deloitte Haskins & Sells LLP in relation to the Audited Financial Statements FY 2021.
26. Due diligence certificate dated October 16, 2023 filed by the Lead Managers with SEBI.
27. Due diligence certificates dated August 28, 2023 and October 16, 2023 filed by the Debenture Trustee to the Issue.
28. In-principle approval dated September 6, 2023 for the Issue issued by BSE.
29. In-principle approval dated September 5, 2023 for the Issue issued by NSE.



## DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue and the Company including the all relevant provisions of the Companies Act, 2013, as amended, and the rules prescribed thereunder, to the extent applicable and the guidelines issued by the Government of India and/or the regulations/guidelines/circulars issued by the Reserve Bank of India, and the Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as applicable, including the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended, and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, including the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable, as the case may be and other competent authorities in this respect, from time to time have been complied with and no statement made in this Tranche I Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be. We hereby confirm that the compliance with the Securities and Exchange Board of India Act, 1992 or rules made there under does not imply that payment of dividend or interest or repayment of debt securities, is guaranteed by the Central Government.

We further certify that all the disclosures and statements made in this Tranche I Prospectus are true, correct and complete in all material respects, are in conformity with Companies Act, 2013, Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended, the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder including the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Securities and Exchange Board of India Act, 1992 or rules made there under, regulations or guidelines or circulars issued, as the case may be and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Tranche I Prospectus does not contain any misstatements. Furthermore, all the monies received under this Issue shall be used only for the purposes and objects indicated in this Tranche I Prospectus. No information material to the subject matter of this form has been suppressed or concealed and whatever is stated in this Tranche I Prospectus is as per the original records maintained by the Promoter(s) subscribing to the Memorandum of Association and Articles of Association.

### Signed by the Directors of our Company



**Ajay G. Piramal**  
Whole Time Director and  
Chairman  
DIN: 00028116



**Swati A. Piramal**  
Executive Director  
DIN: 00067125



**Nandini Piramal**  
Non-Executive, Non-  
Independent Director  
DIN: 00286092



**Anand Piramal**  
Non-Executive, Non-  
Independent Director  
DIN: 00286085



**Vijay Shah**  
Non-Executive, Non-  
Independent Director  
DIN: 00021276



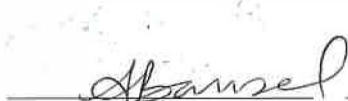
**Subramanian Ramadorai**  
Non-Executive, Independent  
Director  
DIN: 00000002



**Kunal Bahl**  
Non-Executive,  
Independent Director  
DIN: 01761033



**Suhail Nathani**  
Non-Executive,  
Independent Director  
DIN: 01089938



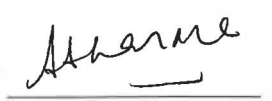
**Anjali Bansal**  
Non-Executive, Independent  
Director  
DIN: 00207746



**Puneet Yadu Dalmia**  
Non-Executive Independent  
Director  
DIN: 00022633



**Anita Marangoly George**  
Non-Executive  
Independent Director  
DIN: 00441131



**Shikha Sanjaya Sharma**  
Non-Executive, Non-  
Independent Director  
DIN: 00043265



**Rajiv Mehrishi**  
Non-Executive, Independent  
Director  
DIN: 00208189



**Gautam Bhailal Doshi**  
Non-Executive, Independent  
Director  
DIN: 00004612

Date: 16/10/2023

Place: Mumbai

**ANNEXURE A**

**RATING, RATIONALE AND PRESS RELEASE**

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Ref: ICRA/Piramal Enterprises Limited/27062023/05

Date: June 27, 2023

**Mr. Lalit Ostwal**

Head – Group Treasury

**Piramal Enterprises Limited**

4<sup>th</sup> Floor, Piramal Tower, Peninsula Corporate Park

Ganpatrao Kadam Marg, Lower Parel,

Mumbai – 400 013.

Dear Sir,

**Re: ICRA Credit Rating for the Rs. 3,000 crore Retail Non-Convertible Debenture(NCD) Programme of Piramal Enterprises Limited.**

Please refer to the Rating Agreement/Statement of Work dated May 22, 2023 executed between ICRA Limited (“ICRA”) and your company for carrying out the rating of the aforesaid Retail NCD Programme. The Rating Committee of ICRA, after due consideration, has assigned a **[ICRA]AA** (pronounced as ICRA double A) rating to the captioned Retail NCD Programme. Instruments with this rating indicate high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The outlook on the long-term rating is **Stable**.

In any of your publicity material or other document wherever you are using the above assigned rating, it should be stated as **[ICRA]AA (Stable)**.

We would request if you can provide your acceptance on the above Rating(s) by sending an email or signed attached acknowledgement to us latest by June 30, 2023 as acceptance on the assigned rating. In case you do not communicate your acceptance/non acceptance of the assigned credit rating, or do not appeal against the assigned rating by the aforesaid date, the rating will be treated by us as non accepted and shall be disclosed on ICRA’s website accordingly. This is in accordance with requirements prescribed by the Securities and Exchange Board of India (SEBI) vide SEBI circular dated June 30, 2017.

Any intimation by you about the above rating to any banker/lending agency/government authorities/stock exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are



requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited

**ANIL GUPTA**

Senior Vice President

[anilg@icraindia.com](mailto:anilg@icraindia.com)

#### Annexure

#### LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

Rated Instrument	Rated Amount (In Rs. crore)	Amount Outstanding as on June 27, 2023 (In Rs. crore)	Rating Action
Retail NCD Programme	3,000*	Nil	[ICRA]AA (Stable); assigned

\*The entire rated amount is unutilised as on June 27, 2023 and available for issuance

#### Acknowledgement

(To be signed and returned to ICRA Limited)

Please refer to your rating communication letter dated June 27, 2023. I hereby unconditionally accept and acknowledge the assigned rating.

We confirm that the undersigned is legally authorized to accept the rating on behalf of Piramal Enterprises Limited.

**For Piramal Enterprises Limited**

\_\_\_\_\_  
Name:

Designation:

Date:

**Note:** Please return a copy of the above communication along with the acknowledgement to ICRA Limited to [komal.mody@icraindia.com](mailto:komal.mody@icraindia.com)



ICRA

ICRA Limited

CONFIDENTIAL

Ref: ICRA/Piramal Enterprises Limited/09102023/02  
Date: October 09, 2023

Mr. Lalit Ostwal

Head – Group Treasury

Piramal Enterprises Limited

4<sup>th</sup> Floor, Piramal Tower, Peninsula Corporate Park  
Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013.

Dear Sir,

Re: ICRA Credit Rating for Rs. 3,000 crore Retail Non-Convertible Debenture (NCD) Programme of Piramal Enterprises Limited (instrument details in *Annexure*)

Please refer to your request for revalidating the rating letter issued for the captioned programme.

We confirm that the [ICRA]AA (pronounced as ICRA double A) rating with a **stable** outlook assigned to your captioned programme and last communicated to you vide our letter dated June 27, 2023 stands. Instruments with this rating indicate high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.

The other terms and conditions for the rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref: ICRA/Piramal Enterprises Limited/27062023/05 dated June 27, 2023.

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

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

With kind regards,

Yours sincerely,

For ICRA Limited

ANIL GUPTA

Senior Vice President

[anilg@icraindia.com](mailto:anilg@icraindia.com)

Annexure

LIST OF ALL INSTRUMENT RATED (WITH AMOUNT OUTSTANDING)

Rated Instrument	Rated Amount (In Rs. crore)	Amount Outstanding (In Rs. crore)	Rating Outstanding
Retail NCD Programme*	3,000	Nil	[ICRA]AA (Stable)

\*Of the rated Retail NCD Programme, Rs. 3,000 crore is available for placement

Building No. 8, 2<sup>nd</sup> Floor, Tower A  
DLF Cyber City, Phase II  
Gurugram – 122002, Haryana

Tel.: +91.124 .4545300  
CIN : L749999DL1991PLC042749

Website: [www.icra.in](http://www.icra.in)  
Email: [info@icraindia.com](mailto:info@icraindia.com)  
Helpdesk: +91 9354738909

Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001. Tel. :+91.11.23357940-41

RATING • RESEARCH • INFORMATION

July 05, 2023

## Piramal Enterprises Limited: Ratings assigned/reaffirmed

### Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debentures (NCD)	-	4,000	[ICRA]AA (Stable); assigned
Retail NCD	-	3,000	[ICRA]AA (Stable); assigned
NCD	1,540	1,540	[ICRA]AA (Stable); reaffirmed
Long-term/short-term – fund-based/non-fund based bank lines	1,000	1,000	[ICRA]AA (Stable) / [ICRA]A1+; reaffirmed
Short-term debt	1,500	1,500	[ICRA]A1+; reaffirmed
<b>Total</b>	<b>4,040</b>	<b>11,040</b>	

\*Instrument details are provided in Annexure I

### Rationale

To arrive at the ratings, ICRA has taken a consolidated view of the credit profiles of Piramal Enterprises Limited (PEL) and its wholly-owned subsidiary, i.e. Piramal Capital & Housing Finance Limited {PCHFL; erstwhile Dewan Housing Finance Corporation Limited (DHFL), together referred to as PEL or the company}, as the companies have operational and business synergies in addition to a shared name and management oversight.

The ratings continue to factor in PEL's comfortable capitalisation, with a consolidated net worth of Rs. 31,059 crore, a gross gearing of 1.6 times and a capital adequacy ratio of 31% as of March 31, 2023, domain experience given the Group's presence across the real estate industry value chain and its experienced management team. The ratings also factor in the increase in the share of retail loans, accounting for ~50% of the assets under management (AUM) as of March 31, 2023 compared to 11% as of June 2021. The company has aggressively diversified its retail product offerings in recent quarters, in line with its growth ambitions for the medium term. While reaffirming the ratings, ICRA also notes the sustained rundown in the legacy wholesale AUM<sup>1</sup>, although the same remains large at Rs. 31,845 crore with a sizeable vulnerable portfolio. Nonetheless, PEL's established position in the real estate lending segment and provision cover (~10% on the wholesale AUM) provide some comfort.

The ratings are constrained by the portfolio vulnerability emanating from the high sectoral concentration in the real estate segment, with large-ticket exposures in the wholesale lending portfolio (notwithstanding the decline in the concentration level in recent years), and the limited seasoning of the retail lending book. PEL intends to scale up its retail lending operations, leveraging the multi-product retail lending platform across the risk-reward spectrum, through an expanded branch network, a digital presence and partnerships with fintech and consumer tech firms. Meanwhile, the company intends to continue with its stated plan of pruning the share of the wholesale book. However, it plans to build a new wholesale 2.0 AUM that would be comparatively more diverse and granular with a smaller ticket size, targeting mid-sized developers across markets. In this regard, its ability to effectively manage the ambitious scale-up across a wide spectrum of products and maintain healthy asset quality would remain a monitorable. Inability to maintain adequate asset quality would exert further pressure on the profitability, which has already been impacted by the one-time additional provisions in recent quarters and elevated operating costs amidst the ongoing expansion in the retail segment.

ICRA takes note of the management's efforts to diversify and elongate the liabilities profile, given the past challenges in resource mobilisation faced by the company. The resource mobilisation trajectory will remain a monitorable. While the merger with DHFL led to greater diversification in the asset profile, PEL also witnessed elongation in the weighted average tenor of the borrowings,

<sup>1</sup> Includes security receipts, project receivables and land assets acquired in lieu of debt

higher share of fixed rate borrowings and the moderation<sup>2</sup> in the cost of funds since March 2020. Going forward, PEL's ability to continue to raise funds at competitive rates from diverse sources would remain a monitorable, though it is noted that the high share of fixed rate borrowings (while the share of the variable rate loan book is high) is likely to limit the adverse impact of the rising systemic interest rate trajectory. ICRA also notes the financial flexibility enjoyed by the company owing to its investments in Shriram Group companies (fair value of Rs. 6,211 crore as of March 31, 2023), a part of which was sold in Jun 2023 for a consideration of ~Rs. 4,823 crore.

## Key rating drivers and their description

### Credit strengths

**Comfortable capitalisation** – PEL's consolidated net worth (post restructuring and demerger of pharma business) stood at Rs. 31,059 crore with a gearing of 1.6 times (net gearing of 1.3 times) and a total capital adequacy ratio of 31% as of March 31, 2023. Of this, Rs. 22,487 crore was deployed to the lending business while the balance is deployed towards other assets like alternatives (Rs. 1,126 crore), insurance & others (Rs. 1,235 crore) and Shriram investments (Rs. 6,211 crore; of which Rs. 4,823 crore was monetised in June 2023). The company's consolidated capitalisation trajectory has been supported by fund-raising in recent years, besides the gains on investments in Shriram Group and the reversal of the deferred tax liability (DTL) related to the DHFL transaction. During FY2020-FY2021, PEL raised Rs. 18,173 crore of equity funds through various avenues, part of which was allocated to the financial services business. Moreover, PEL's accretion to reserves in FY2023, despite the large provisions and impairments, was supported by exceptional items/fair value gains related to the investment book and deferred tax. It is noted that the gains on the fair valuation of the pharma business have not impacted the residual balance sheet as those were demerged as a part of the pharma business demerger.

Notwithstanding the provisions and impairments in recent quarters, the current capitalisation (CRAR of 31% as of March 2023) remains comfortable for the company's high growth ambitions for the near to medium term, predominantly on the retail side. The company also sold its 8.34% stake in Shriram Finance Limited in June 2023, which would augment capital available for lending business. The remaining investments may be sold to unlock further capital, if required. However, ICRA notes that while PEL's solvency metric (net stage 3/net worth), basis the reported net stage 3 figure, is comfortable, the adjusted metric is elevated (net vulnerable portfolio/lending business' net worth) and remains a monitorable.

**Established position in real estate lending and experienced management team** – PEL has an established position in real estate lending and draws domain experience, given the Group's experience in real estate-based private equity investments, advisory services, and the development space. Further, given its extensive experience in the real estate lending segment, the company leverages the large network of developers with relationships built over a period of time. PEL also has an experienced management team. While the company's experience in retail lending remains limited, it has hired seasoned professionals to build its franchise in this segment. PEL has also engaged external consultants for framing its credit policies and credit appraisal systems, expansion strategy and operational policies. Nonetheless, ICRA notes that the company's ability to leverage the aforesaid management bandwidth and investments to scale up the retail book, while maintaining a healthy asset quality and earnings profile, would be a key monitorable.

As of March 31, 2023, PEL had consolidated AUM of Rs. 63,989 crore (excluding Rs. 13,433 crore of off-balance sheet retail assets acquired from DHFL, which is now being managed by PEL) compared to Rs. 47,181 crore as on June 30, 2021 (prior to DHFL acquisition). The proportion of retail assets in the overall AUM increased to ~50% as of March 31, 2023 from 11% as of June 30, 2021 (43% as of December 31, 2022). Going forward, PEL aims to be a diversified lender with a focus on becoming retail oriented. On the wholesale side, it plans to build a new wholesale 2.0 AUM that would be comparatively more diverse and granular with a smaller ticket size, targeting mid-sized developers across markets.

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<sup>2</sup>~280 bps since March 2020 (including NCD raised for the DHFL transaction)



## Credit challenges

**Portfolio vulnerability, given sizeable exposure to real estate segment and limited seasoning of retail book** – PEL's consolidated AUM comprised retail (50%) and wholesale (50%) loans as of March 31, 2023. While the share of wholesale loans has reduced consistently over the past few years, the same remained high at Rs. 31,845 crore as of March 31, 2023 (Rs. 43,633 crore as of March 31, 2022). Further, ~20% of the wholesale loan book was classified under stage 2 and 3 as of March 31, 2023 (compared to ~28% as of December 31, 2022). While the company has provisions on the book (provision cover of ~10% as of March 31, 2023), these exposures remain vulnerable to slippages. Further, the early stage of development of some of the underlying projects increases the portfolio vulnerability. Moreover, the book concentration remains significant with the top group exposures (including stressed groups) forming a high proportion of the overall book and net worth, though there has been a reduction in the overall wholesale loan book and group exposures over the past few years.

ICRA notes the increase in the reported headline asset quality indicators in preceding quarters, even though there were no additional non-performing accounts from the net loans acquired from DHFL on an amalgamated basis. The gross stage 3% increased to 6.6% as of December 31, 2022 from 3.3% as of December 31, 2021, primarily due to certain lumpy slippages in the wholesale book. However, the same moderated to ~3% as of March 31, 2023 due to resolution strategies such as asset sale to ARC etc. In this regard, while asset resolutions/sales would remain a part of the strategy to drive improvement in the headline asset quality indicators going forward, the nature of any associated residual exposures/risks on the balance sheet will remain a monitorable. ICRA also notes that the company will need to demonstrate its track record in retail lending, given the rapid scale-up of the retail AUM, which has limited seasoning. Nonetheless, ICRA notes that the company has made provisions in recent quarters to create a cushion against portfolio vulnerability (total provision cover of ~6% of the total AUM as of March 2023).

**Profitability pressure; operating expenses to remain elevated owing to retail scale-up** – PEL's profitability has remained under pressure in the recent past owing to the increased vulnerability of the wholesale book necessitating higher provisioning and the scale-up in retail lending resulting in elevated operating expenses. In FY2023, PEL reported a consolidated pre-provisioning operating profit of Rs. 2,830 crore compared to Rs. 2,457 crore in FY2022, notwithstanding the improvement in interest margins during this period. Further, the company reported large provisions, write-offs and fair valuation adjustments of Rs. 5,179 crore in FY2023 (compared to Rs. 830 crore in FY2022), thereby resulting in a loss from core operations. Nonetheless, the operating loss was offset by a one-time DTL reversal of Rs. 3,978 crore (related to the DHFL transaction) and an exceptional gain of Rs. 8,066 crore on the pharma business demerger. Given the lumpy nature of the wholesale book and the limited seasoning of the retail book, the asset quality may have an impact on the earnings profile and this would be further exacerbated by the elevated operating expenses in the near term.

**Ability to raise funds at competitive rates from diverse sources** – ICRA takes note of the challenges in resource mobilisation faced by the company in the past and the management's efforts to diversify and elongate the liabilities profile. PEL raised ~Rs. 6,000-crore long-term debt (excluding Rs. 19,532 crore for the DHFL transaction) in FY2022 and Rs. 8,462 crore in FY2023, following the Rs. 13,500-crore long-term debt raised in FY2020 and ~Rs. 20,000 crore in FY2021 for its financial services business. While the merger with DHFL has led to greater diversification in the asset profile, PEL also witnessed elongation in the weighted average tenor of borrowings, an increase in the share of fixed rate borrowings and some moderation in the cost of funds since March 2020.

The resource profile is moderately diversified, although non-convertible debentures (NCDs) remain the primary source of funds accounting for 60% of the borrowings as of March 31, 2023, followed by bank loans at 27%, commercial paper (CP) at 7% and others at 6%. Going forward, PEL's ability to continue to raise funds at competitive rates from diverse sources would remain a monitorable, though it is noted that the high share of fixed rate borrowings (while the share of the variable rate loan book is high) is likely to limit the adverse impact of the rising systemic interest rate trajectory.



## Environmental and social risks

Given the service-oriented business of PEL, its direct exposure to environmental risks/physical climate risks is not material. While lending institutions can be exposed to environmental risks indirectly through their portfolio of assets, PEL's exposure to environmentally sensitive segments remains low. Hence, indirect transition risks arising from changes in regulations or policies concerning the underlying assets are not material.

With regard to social risks, data security and customer privacy are among the key sources of vulnerability for lending and investment banking institutions as material lapses could be detrimental to their reputation and could invite regulatory censure. PEL has not faced such lapses over the years and its disclosures outline the key policies, processes, and investments made by it to mitigate the occurrence of such instances. PEL also promotes financial inclusion by lending to the affordable housing segments.

## Liquidity position: Adequate

PEL's (consolidated) liquidity position remains adequate with its asset-liability maturity profile (as of March 31, 2023) characterised by positive cumulative mismatches across buckets up to 1 year. It had cash/bank balances and liquid investments of ~Rs. 7,430 crore as of March 31, 2023 (about 15% of borrowings outstanding) on a consolidated basis compared to debt repayment of ~Rs. 8,900 crore till September 2023. The inflows from the stake sale in Shriram Finance are likely to further support the liquidity position. Moreover, the company's track record of successfully raising capital and refinancing debt repayments also provide some comfort. ICRA notes that PEL endeavours to maintain on-balance sheet liquidity sufficient to cover repayments falling due in the ensuing 3 months.

## Rating sensitivities

**Positive factors** – ICRA could change the outlook to Positive or upgrade the long-term rating if there is an improvement in the diversification and granularity of the asset profile while maintaining healthy asset quality and profitability. The demonstrated scale-up and proven track record of new products in the retail segment while maintaining the asset quality will also remain imperative for an upward revision in the long-term rating.

**Negative factors** – ICRA could downgrade the ratings if there is a material deterioration in the asset quality, affecting the financial profile. The ratings could also be downgraded in case of any sustained challenges in raising long-term funds at competitive rates, resulting in a deterioration in the liquidity.

## Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	<a href="#">Rating Methodology for Non-banking Finance Companies</a> <a href="#">Rating Approach – Consolidation</a>
Parent/Group support	Not applicable
Consolidation/Standalone	Consolidation; To arrive at the ratings, ICRA has taken a consolidated view of the credit profiles of PEL and its wholly-owned subsidiary, i.e. PCHFL, together referred to as PEL or the company, as the companies have operational and business synergies in addition to a shared name and management oversight.

## About the company

Piramal Enterprises Limited (PEL) is a non-banking financial company (NBFC), which got registered with the Reserve Bank of India (RBI) w.e.f. July 22, 2022. It has a presence in retail lending, wholesale lending, and fund-based platforms, primarily through standalone operations and its wholly-owned subsidiary, i.e. Piramal Capital & Housing Finance Limited (PCHFL). The company's consolidated operations are backed by a network of about 404 branches across 26 states and Union Territories.

PEL received its NBFC licence as a part of a planned corporate restructuring exercise, whereby the pharma business was demerged from PEL [and housed under a separate listed entity – Piramal Pharma Limited (PPL)]. Further, PHL Fininvest Private Limited (PFPL), a wholly-owned subsidiary of PEL and the NBFC arm of the Group, was merged into PEL w.e.f. August 12, 2022.

PEL forayed into the financial services sector with PCHFL, a housing finance company (HFC) that provides both wholesale and retail finance across segments. PCHFL was earlier chosen as the successful resolution applicant by DHFL’s Committee of Creditors for the resolution of DHFL, an HFC catering to the low-and-middle-income borrower segment. As per the resolution plan approved by the National Company Law Tribunal (NCLT), DHFL’s existing liabilities were discharged by the erstwhile PCHFL and a consideration of Rs. 34,250 crore (comprising upfront cash of Rs. 14,700 crore and issuance of debt instruments of Rs. 19,550 crore) was paid to DHFL’s creditors. The erstwhile PCHFL was reverse merged with DHFL, with effect from September 30, 2021, and the amalgamated entity (DHFL) was rechristened Piramal Capital & Housing Finance Limited (PCHFL).

Within retail lending, through its multi-product platform, PEL offers home loans to customers in the affordable housing and budget segments, secured and unsecured lending to small businesses, pre-owned car loans, loans against securities, and unsecured finance constituting microfinance, digital purchase finance, salaried personal loans, etc. Within wholesale lending, the business provides financing to real estate developers as well as corporate clients in select sectors.

PEL has also formed strategic partnerships with leading financial institutions such as The Canada Pension Plan Investment Board (CPPIB), APG Asset Management and Ivanhoe Cambridge (CDPQ) across investment platforms. Piramal Alternatives, the fund management business, provides customised financing solutions to select corporates through Piramal Credit Fund, a performing, sector-agnostic credit fund with capital commitment from CDPQ, and IndiaRF, a distressed asset investing platform with Bain Capital Credit, which invests in equity and/or debt across non-real estate sectors. PEL also has a 50% stake in Pramerica Life Insurance (a joint venture with Prudential International Insurance Holdings) and equity investments in Shriram Group.

Prior to the said corporate restructuring, PEL had a presence in the financial services and pharmaceutical businesses. The Group’s financial services business was known as PEL FS and was housed under PCHFL and PFPL. Following the demerger, the erstwhile pharma business (valued at about Rs. 13,000 crore at the time of demerger) was moved to a separate listed entity – Piramal Pharma Limited (PPL).

### Key financial indicators

	FY2021 <sup>^</sup>		FY2022 <sup>*</sup>	FY2023
	PEL FS	PEL Consolidated (pre-DHFL transaction)	PEL Consolidated (post-DHFL transaction)	PEL Consolidated (post pharma demerger)
<b>Net worth</b>	18,073	34,018	30,120	31,059
<b>AUM</b>	48,891	NA	65,185	63,989
<b>Net debt</b>	32,531	NA	40,115 <sup>#</sup>	41,393 <sup>#</sup>
<b>Net gearing (times)</b>	1.8	~1.0	1.3	1.3
<b>Gross stage 3</b>	4.1%	NA	3.4%	3.2%
<b>Net stage 3</b>	2.1%	NA	1.6%	1.7%
<b>Solvency (Net stage 3/Net worth)</b>	2.9%	NA	3.3%	3.3%
<b>CRAR</b>	36%	NA	21%	31%

Source: Company, ICRA Research; All ratios as per ICRA’s calculations; Amount in Rs. crore; <sup>^</sup>Audited; <sup>\*</sup>Restated numbers; <sup>#</sup>As per ICRA estimates (gross debt less cash & liquid investments)

### Status of non-cooperation with previous CRA: Not applicable

**Any other information:** The company also faces prepayment risk, given the possibility of debt acceleration upon the breach of covenants, including financial covenants, operating covenants and rating-linked covenants. Upon failure to meet the covenants, if the company is unable to get waivers from the lenders/investors or the lenders/investors do not provide it with adequate time to arrange for alternative funding to pay off the accelerated loans, the ratings would face pressure.

### Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the Past 3 Years							
		Type	Amount Rated (Rs. crore)	Amount Outstanding* (Rs. crore)	Date & Rating in FY2024		Date & Rating in FY2023		Date & Rating in FY2022		Date & Rating in FY2021		
					Jul 05, 2023	Apr 28, 2023	Oct 12, 2022	Apr 29, 2022	Oct 14, 2021	Aug 13, 2021	Feb 03, 2021	Jul 27, 2020	
1	NCD	LT	1,040	40	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA&	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	
2	NCD	LT	4,000	Nil	[ICRA]AA (Stable)	-	-	-	-	-	-	-	
3	Retail NCD	LT	3,000	Nil	[ICRA]AA (Stable)	-	-	-	-	-	-	-	
4	NCD	LT	500	Nil	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	-	-	-	-	-	
5	Short-term debt	ST	1,500	1,500	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	-	-	-	-	-	
6	NCD	LT	-	-	-	-	[ICRA]AA (Stable); withdrawn	[ICRA]AA (Stable)	[ICRA]AA&	[ICRA]AA&	[ICRA]AA (Negative)	[ICRA]AA (Negative)	
7	Long-term/short-term fund-based/non-fund based bank lines	LT/ST	1,000	Nil	[ICRA]AA (Stable) / [ICRA]A1+	[ICRA]AA (Stable) / [ICRA]A1+	[ICRA]AA (Stable) / [ICRA]A1+	-	-	-	-	-	
8	Unallocated	LT/ST	-	-	-	-	-	[ICRA]AA (Stable) / [ICRA]A1+	[ICRA]AA& / [ICRA]A1+	[ICRA]AA& / [ICRA]A1+	-	-	
9	Fund-based limits	LT/ST	-	-	-	-	-	-	-	[ICRA]AA& / [ICRA]A1+; Withdrawn	[ICRA]AA (Negative) / [ICRA] A1+	[ICRA]AA (Negative) / [ICRA]A1+	
10	Term loans	LT	-	-	-	-	-	-	-	[ICRA]AA&; Withdrawn	[ICRA]AA (Negative)	[ICRA]AA (Negative)	
11	Non-fund based limits	ST	-	-	-	-	-	-	-	[ICRA]A1+; Withdrawn	[ICRA]A1+	[ICRA]A1+	
12	Fund-based limits	ST	-	-	-	-	-	-	-	[ICRA]A1+; Withdrawn	[ICRA]A1+	[ICRA]A1+	
13	NCD instruments	LT	-	-	-	-	-	-	-	[ICRA]AA&; Withdrawn	[ICRA]AA (Negative)	[ICRA]AA (Negative)	
14	Commercial paper	ST	-	-	-	-	-	-	-	-	-	[ICRA]A1+; Withdrawn	
15	Principal protected market linked debentures	LT	-	-	-	-	-	-	-	-	-	PP-MLD [ICRA]AA (Negative); Withdrawn	
16	Provisional principal protected market linked debentures	LT	-	-	-	-	-	-	-	-	-	Provisional PP-MLD [ICRA]AA (Negative); Withdrawn	

& Rating on watch with developing implications; LT – long term; ST – short term; \*As on June 27, 2023

## Complexity level of the rated instruments

Instrument	Complexity Indicator
NCD	Simple
Retail NCD	Simple
Long term/short term – Fund-based/non-fund based bank lines	Simple
Short-term debt	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

**Annexure I: Instrument details**

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
INE140A07179	NCD	Jul 14, 2016	9.75%	Jul 14, 2026	35	[ICRA]AA (Stable)
INE140A07211	NCD	Jul 19, 2016	9.75%	Jul 17, 2026	5	[ICRA]AA (Stable)
Not issued	NCD – proposed	NA	NA	NA	1,500	[ICRA]AA (Stable)
INE140A07716	Short-term debt	Nov 07, 2022	Linked to 3M MIBOR	Nov 06, 2023	1,000	[ICRA]A1+
INE140A07724	Short-term debt	Jan 31, 2023	Linked to 3M MIBOR	Jan 30, 2024	500	[ICRA]A1+
NA	NCD – proposed	NA	NA	NA	4,000	[ICRA]AA (Stable)
NA	Retail NCD – proposed	NA	NA	NA	3,000	[ICRA]AA (Stable)
NA	Long-term/short-term fund-based/non-fund based bank lines	NA	NA	NA	1,000	[ICRA]AA (Stable) / [ICRA]A1+

Source: PEL; ISIN details as on March 31, 2023

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis**

Company Name		Consolidation Approach
Piramal Enterprises Limited	Holding Company	Full Consolidation
Piramal International	Subsidiary	Full Consolidation
Piramal Holdings (Suisse) SA (until December 9, 2022)	Subsidiary	Full Consolidation
Piramal Dutch IM Holdco B.V.	Subsidiary	Full Consolidation
Piramal Capital & Housing Finance Limited	Subsidiary	Full Consolidation
DHFL Advisory and Investment Private Limited	Subsidiary	Full Consolidation
DHFL Holdings Limited	Subsidiary	Full Consolidation
DHFL Investments Limited	Subsidiary	Full Consolidation
DHFL Changing Lives Foundation	Subsidiary	Full Consolidation
PRL Agastya Private Limited (w.e.f. December 12, 2022)	Subsidiary	Full Consolidation
Piramal Fund Management Private Limited	Subsidiary	Full Consolidation
INDIAREIT Investment Management Co	Subsidiary	Full Consolidation
Piramal Asset Management Private Limited	Subsidiary	Full Consolidation
Piramal Alternatives Private Limited	Subsidiary	Full Consolidation
Piramal Investment Advisory Services Private Limited	Subsidiary	Full Consolidation
Piramal Investment Opportunities Fund	Subsidiary	Full Consolidation
Piramal Securities Limited	Subsidiary	Full Consolidation
Piramal Systems & Technologies Private Limited	Subsidiary	Full Consolidation
Piramal Technologies SA	Subsidiary	Full Consolidation
PEL Finhold Private Limited	Subsidiary	Full Consolidation
Piramal Consumer Products Private Limited	Subsidiary	Full Consolidation
Virdis Power Investment Managers Private Limited (w.e.f. October 17, 2020)	Subsidiary	Full Consolidation
Virdis Infrastructure Investment Managers Private Ltd. (w.e.f. October 22, 2020)	Subsidiary	Full Consolidation

<b>Company Name</b>		<b>Consolidation Approach</b>
<b>Piramal Finance Sales &amp; Services Pvt. Ltd.</b>	Subsidiary	Full Consolidation
<b>Piramal Payment Services Limited (w.e.f. 29 April 2022)</b>	Subsidiary	Full Consolidation
<b>Piramal Alternatives Trust</b>	Subsidiary	Full Consolidation
<b>Pramerica Life Insurance Limited</b>	Joint Venture	Full Consolidation
<b>India Resurgence ARC Private Limited</b>	Joint Venture	Full Consolidation
<b>India Resurgence Asset Management Business Private Limited</b>	Joint Venture	Full Consolidation
<b>India Resurgence Fund - Scheme 2</b>	Joint Venture	Full Consolidation
<b>Piramal Structured Credit Opportunities Fund</b>	Joint Venture	Full Consolidation
<b>Asset Resurgence Mauritius Manager</b>	Joint Venture	Full Consolidation
<b>Shrilekha Business Consultancy Private Limited (Until November 9, 2022)</b>	Joint Venture	Full Consolidation
<b>DHFL Ventures Trustee Company Private Limited</b>	Joint Venture	Full Consolidation
<b>Shriram Capital Limited (Until November 9, 2022)</b>	Joint Venture	Full Consolidation

Source: Company; As of December 31, 2022

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## ICRA Limited



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**Head – Treasury**  
**Piramal Enterprises Limited**  
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Lower Parel, Mumbai,  
Maharashtra 400013.



August 01, 2023

**Confidential**

Dear Sir,

**Credit rating for proposed Public Non-Convertible Debenture issue**

Please refer to your request for rating of proposed Non-Convertible Debenture of aggregating Rs.3,000 crore of your Company.

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

Sr. No.	Instrument	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
1.	<b>Non-Convertible Debentures - Public Issue</b>	<b>3,000.00</b>	<b>CARE AA; Stable (Double A; Outlook: Stable)</b>	<b>Assigned</b>
	<b>Total Instruments</b>	<b>3,000.00 (Rs. Three Thousand Crore Only)</b>		

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six month from the date of our initial communication of rating to you (that is July 28, 2023).
4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications.

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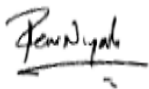
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6. Kindly arrange to submit to us a copy of each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
7. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which will be shared with you separately.
8. CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
9. CARE Ratings Ltd. reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE Ratings Ltd. warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE Ratings Ltd. so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE Ratings Ltd. shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE Ratings Ltd. shall also be entitled to publicize/disseminate all the aforementioned rating actions in any manner considered appropriate by it, without reference to you.
10. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
11. Users of this rating may kindly refer our website [www.careedge.in](http://www.careedge.in) for latest update on the outstanding rating.
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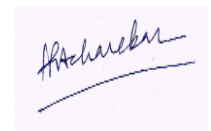
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Thanking you,

Yours faithfully,

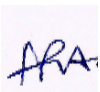


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Encl.: As above



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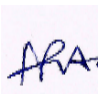
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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the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



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**Head – Treasury**  
**Piramal Enterprises Limited**  
Piramal Tower,  
Ganpatrao Kadam Marg,  
Lower Parel, Mumbai,  
Maharashtra 400013.



October 13, 2023

**Confidential**

Dear Sir,

**Credit rating for proposed Public Non-Convertible Debentures**

Please refer to our letter CARE/HO/RL/2023-24/2546 dated September 20, 2023 and your request for revalidation of the rating assigned to the Non-Convertible Debenture issue of your company, for a limit of Rs. 3,000.00 crore.

2. The following rating(s) have been reviewed:

Sr. No.	Instrument	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
1.	Non-Convertible Debentures - Public Issue	3,000.00	CARE AA; Stable (Double A; Outlook: Stable)	Reaffirmed
	Total Instruments	3,000.00 (Rs. Three Thousand Crore Only)		

- Please arrange to get the rating revalidated, in case the proposed issue is not made within **six months** from the date of this letter.
- Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

Instrument type	ISIN	Issue Size (Rs cr.)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Trustee/IPA	Details of top 10 investors
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- CARE Ratings Ltd. reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and in other CARE Ratings Ltd.'s publications.

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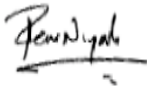
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7. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
8. Users of this rating may kindly refer our website [www.careedge.in](http://www.careedge.in) for latest update on the outstanding rating.
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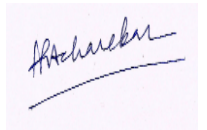
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Yours faithfully,

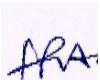


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Encl.: As above



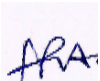
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CIN-L67190MH1993PLC071691

## Piramal Enterprises Limited (Revised)

August 3, 2023

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Non-convertible debentures (Public NCD) (proposed)	3,000.00	CARE AA; Stable	Assigned
Non-convertible debentures	4,000.00	CARE AA; Stable	Assigned
Long-term / Short-term bank facilities	3,000.00	CARE AA; Stable / CARE A1+	Reaffirmed
Market linked debentures	898.00 (Reduced from 1,000.00)	CARE PP-MLD AA; Stable	Reaffirmed
Market linked debentures	1,000.00	CARE PP-MLD AA; Stable	Reaffirmed
Market linked debentures	1,000.00	CARE PP-MLD AA; Stable	Reaffirmed
Non-convertible debentures	100.00	CARE AA; Stable	Reaffirmed
Non-convertible debentures	200.00 (Reduced from 250.00)	CARE AA; Stable	Reaffirmed
Non-convertible debentures	334.00	CARE AA; Stable	Reaffirmed
Non-convertible debentures	460.00 (Reduced from 2,210.00)	CARE AA; Stable	Reaffirmed
Non-convertible debentures	-	-	Withdrawn
Commercial paper	5,000.00	CARE A1+	Reaffirmed
Commercial paper	1,000.00	CARE A1+	Reaffirmed
Short-term- Short-term instruments	250.00	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

The reaffirmation of the ratings assigned to the various debt instruments and bank facilities of Piramal Enterprises Limited (PEL) continues to factor in the long track record of the Piramal group, moderate leverage supported by comfortable capitalisation levels with a consolidated tangible net worth (TNW) of ₹31,059 crore (as on March 31, 2023), and demonstrated financial flexibility through fund raising through diversified sources, the latest being from the stake sale in Shriram Finance Ltd during Q1FY23 for ₹4,820 crore which has bolstered its liquidity.

The ratings also take note of the group's plan to bring in more granularity to the loan book by focusing on the retail segment which would comprise diversified products apart from home loans while undertaking reduction of the legacy wholesale book (wholesale 1.0) largely comprising real estate. During FY23, the proportion of retail loan book increased and stood at 50% as on March 31, 2023 (PY: 33%).

The ratings remain constrained on account of sector concentration within Wholesale 1.0 which is dominated by real estate loans having large ticket-size, of which, a significant proportion is still under moratorium as on March 31, 2023. The concentration of top exposures continues to be sizeable and has not reduced materially over the past 3 years despite overall real estate exposure coming down significantly. The real estate portfolio remains susceptible to asset quality shocks due to higher concentration.

The asset quality parameters have seen moderation during FY23 as PEL recognised stress emanating from the wholesale 1.0 portfolio and classified significant proportion of assets from Stage 1 to Stage 2 and Stage 3. GS3 stood at 3.76% as on March 31, 2023, as against 3.40% as on March 31, 2022. The profitability has been impacted due to one-time incremental provisioning and higher operational cost due to retail expansion. PEL had provisioning of 6.2% of overall asset under management (AUM) and 10.5% on wholesale AUM (34% on Stage 2 and 3) as on March 31, 2023, which provides comfort against future asset quality shocks.

The scale-up of the retail lending franchise and reducing the legacy wholesale portfolio while maintaining asset quality and capitalisation, improvement in profitability with stabilisation of credit cost and the ability of PEL to raise funds from diverse sources at competitive rates are the key rating monitorable.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

## Rating sensitivities: Factors likely to lead to rating actions

### Positive factors – Factors that could lead to positive rating action/upgrade :

- Substantial reduction in exposure to the real estate segment in overall loan book/AUM.
- Sizeable reduction in concentration of group exposure in the wholesale lending book with increase in granularity on a sustained basis.
- Significant improvement in the asset quality and profitability.

### Negative factors – Factors that could lead to negative rating action/downgrade:

- Inability to reduce the exposure to real estate loans in the loan book on a sustained basis.
- Mismatch in asset liability maturities and challenges in raising long-term funding at competitive rates.
- Deterioration in asset quality with net non-performing asset (NNPA)/ net worth of over 10%.
- Increase in the overall gearing beyond 3.5x.

### Analytical approach:

CARE Ratings Limited (CARE Ratings) has taken a consolidated view of PEL

### Outlook: Stable

The "stable" outlook factors in the continuation of diversification and granularisation of overall portfolio and limited impact on the net worth base and capitalisation levels despite higher credit costs and moderation in profitability. CARE Ratings expects improvement in the financial performance post recognition of stress in wholesale portfolio and improvement in overall asset quality profile.

### Detailed description of the key rating drivers:

#### Key strengths

##### Comfortable capitalisation and gearing levels

Over the last four years, the Piramal group has raised a significant amount of equity capital which has significantly scaled up the consolidated net worth of PEL. During FY20 and FY21, PEL raised nearly ₹18,173 crore of capital through multiple channels including sale of 10% stake in Shriram Transport Finance Company Ltd (₹2,300 crore in June 2019), rights issue of equity shares (₹3,650 crore including promoter investment of ₹1,600 crore in January 2020), preferential allotment of equity shares to Caisse de dépôt et placement du Québec (CDPQ) (₹1,750 crore in December 2019), sale of its DRG business (₹6,750 crore in February 2020) and stake dilution by 20% in Piramal Pharma Limited (PPL; to which the pharmaceuticals business of the group was transferred in FY23) to the Carlyle group (₹3,523 crore in October 2020), which were used to deleverage the balance sheet and provide capital for its financial services business. During FY23, the group demerged its pharmaceutical (pharma) business from PEL and PEL got converted into a non-banking finance company (NBFC) post receiving the license from RBI on July 21, 2022, and a majority of the net worth has been retained in PEL for financial services business post the restructuring of business.

PEL has a consolidated net worth of ₹31,059 crore as on March 31, 2023, with an overall gearing of 1.6x (March 31, 2022: 1.8x) and capital adequacy ratio (CAR) of 31% (March 31, 2022: 21%). The net worth other than lending is deployed towards other assets like alternatives (₹1,126 crore), insurance & others (₹1,235 crore) and Shriram investments (₹6,211 crore). PEL has strong fund-raising capability as demonstrated by multiple equity raise in the past. PEL sold its entire 8.3% stake in Shriram Finance Ltd during June 2023 for a consideration of ₹4,820 crore which has supported the resource and liquidity profile of the company. The stakes in other unlisted Shriram Group companies, valued at approximately ₹2,400 crore at the time of business restructuring, continues to be held by PEL.

PCHFL on a standalone basis reported CAR of 26.80% (March 31, 2022: 22.01%) with Tier-I CAR of 25.90% (March 31, 2022: 21.11%) as on March 31, 2023, whereas PEL's standalone CAR was at 43.63% as on March 31, 2023. High proportion of net worth provides the company with strong cushion to absorb any unforeseen shock in terms of deterioration in asset quality. As the company plans to reduce its wholesale 1.0 lending book and scale up its retail business, it is expected to see an increase in the gearing levels. CARE Ratings expects the consolidated gearing to remain under 3x over the medium term.



**Strong and resourceful promoters along with experienced management team**

PEL is the holding company of the Piramal Group headed by the Chairman, Ajay Piramal. The promoter group has presence in diversified businesses like financial services through PEL, pharma (CDMO, Critical Care, OTC) through Piramal Pharma Ltd (PPL), and real estate development and consulting (through a separate company). The Board of Directors of PEL comprises eminent individuals from the industry providing their experience and governance to the group. The senior management team comprises of professionals heading various verticals with adequate and relevant experience in their respective fields. The group has experience of lending in the real estate industry for over a decade, and forayed into mortgage lending around five years back. The focus of the group has now shifted towards building the retail portfolio and rebuild the wholesale portfolio going forward. Jairam Sridharan is the Managing Director (MD of PCHFL), heading its retail finance business which is expected to scale up in the medium term. He has over two decades of retail domain experience and specialises in setting up and scaling new businesses. Yesh Nadkarni is responsible for rebuilding a wholesale portfolio while reducing the old one. The group is in the process of building teams, systems and processes as it undertakes retail book expansion post-acquisition of DHFL.

**Increase in retail lending in AUM mix**

PEL has been focusing on increasing the proportion of retail lending portfolio and acquisition of DHFL during FY23, helped it to acquire a sizeable retail lending book (largely affordable housing). PEL has been diversifying its retail book by launching new products, such as unsecured loans, small and medium enterprises (SME) credit, used vehicle financing, personal loans, etc. and have made partnerships with fintech and consumer tech firms to grow its retail financing business.

The AUM as on March 31, 2023 stood at ₹63,989 crore as against ₹65,185 crore as on March 31, 2022. The wholesale lending portfolio has decreased from ₹39,532 crore constituting 89% of total AUM as on March 31, 2021 to ₹31,845 crore constituting 50% of total AUM as on March 31, 2023. The proportion of retail lending portfolio increased to 33% of AUM as on September 30, 2021 post acquisition of DHFL and has increased to 50% of AUM as on March 31, 2023, as the company has increased disbursements in retail and resolved part of wholesale portfolio.

Housing loans continue to be the major proportion at 26% of the total AUM (largely on the books of PCHFL), followed by secured MSME lending at 11% and unsecured loans contributing 9% as on March 31, 2023 with the proportion of other newly launched products remaining relatively small.

PEL is also expanding geographically by opening new branches to the already existing branches acquired from DHFL. The retail portfolio is gaining traction as the disbursements have improved quarter-on-quarter post-acquisition of DHFL and has exceeded the run-off rate of the legacy DHFL retail loan book. The reduction of wholesale loans, especially real estate, also helped improve the AUM mix favourably.

The company is working on plans for reducing the proportion of its wholesale (largely older real estate) portfolio by way of exiting (wholesale 1.0) and building a new relatively granular wholesale portfolio (wholesale 2.0). The company has plans to increase the retail proportion to over two-thirds of AUM by FY27.

**Key weaknesses****Concentration risk with sizeable amount of wholesale loan portfolio continuing**

The lending portfolio of PEL in the past has predominantly been wholesale with high concentration on the real estate segment. The group is changing the AUM mix by increasing share of the retail book and reduction of wholesale book has helped reduce the wholesale proportion from 89% of AUM as on March 31, 2021 to 50% as on March 31, 2023 (March 31, 2022: 67%). The wholesale segment continues to be dominated by real estate exposures and a small proportion is contributed by corporate loans named as Emerging Corporate Lending (ECL), Corporate Finance Group (CFG) and Corporate Mid-Market Lending (CMML). Within the wholesale segment, the management is trying to reduce the legacy wholesale book (Wholesale 1.0) largely consisting of real estate portfolio (remaining is ECL and CMML) by refinancing and resolution of stressed assets especially the larger chunkier group exposures, the progress is slow as there has been few takers for large exposures. Furthermore, these exposures have not reduced materially over the past few years as many large projects continue to be under moratorium.

Top group exposures continue to remain high on absolute basis and is expected to take longer time to have it meaningfully reduced in the medium term. Top 20 group exposures constituted 23% of the total AUM as on March 31, 2023, as against 30% as on March 31, 2022. The management is building a new granular real estate portfolio

with smaller ticket sizes targeting large and medium developers and a new corporate book (Wholesale 2.0) which are cashflow backed and have better capitalisation. Loans under Wholesale 2.0 would be extended to cashflow generating operating companies and not lending at holding company level. CARE Ratings continues to monitor PEL's ability to reduce the wholesale 1.0 book over near term.

#### **Moderate asset quality of wholesale and unseasoned retail book**

The Gross Stage 3 assets on entire loan book stood at 3.8% (3.2% on AUM) as on March 31, 2023, as compared with 3.4% (3.4% on AUM) as on March 31, 2022. The total provisions marginally improved to 6.2% of AUM as on March 31, 2023 vs 5.7% for the previous year. The asset quality of the retail segment continues to be comparatively better with lower delinquencies than wholesale. However, as the retail book had witnessed rapid growth in the recent past, the incremental book is largely unseasoned and its performance needs to be monitored over the medium term.

The asset quality parameters of PEL's wholesale book witnessed significant deterioration during FY23 as PEL classified an identified pool of stressed real estate exposures (non-DHFL) amounting to ₹5,888 crore including some corporate exposures from Stage 1 to Stage 2 and Stage 3, which resulted in deterioration of the asset quality ratios and increased provisions resulting in the PEL incurring losses.

The wholesale AUM reduced significantly during Q3FY23 and Q4FY23 as PEL wrote off stressed assets and undertook its sale through asset reconstruction companies (ARC) and others. The wholesale Gross Stage 2 and Stage 3 assets represented 20% of wholesale AUM as on March 31, 2023, and provisions cover 34% of Gross Stage 2 and Stage 3 assets. Although, as per the management, the recognition of stress in the wholesale portfolio is largely over with adequate provisioning on the same, the focus is more on resolution of the stress portfolio. CARE Ratings would continue to monitor the asset quality and resolution of wholesale portfolio and incremental slippages from Stage 1.

The management has indicated that the stressed assets in the wholesale book have been largely recognised and staging is done and does not envisage any large slippages over the medium term. Furthermore, the company held provision coverage ratio of 6% as on March 31, 2023, which provides comfort.

However, the ability of the company to maintain healthy asset quality of its retail book and wholesale book (especially the Wholesale 1.0 which is being scaled down) as it scales going forward would remain a monitorable.

#### **Modest profitability due to high operating expense and credit cost**

The interest income saw a modest increase of 4% Y-o-Y to ₹7,799 crore in FY23, primarily driven by an increase in performing AUM, was largely offset by a decline in yields (amid ongoing reduction of the wholesale loan book and a shift in the loan book mix towards retail). The yield on AUM fell from 12.9% for FY22 to 12% for FY23. The change is due to increase in the retail proportion having lower yields with simultaneous reduction of wholesale along with increase in non-yielding assets. The interest expenses for FY23 decreased by 6% y-o-y to ₹4,041 crore from ₹4,282 crore in FY22 due to lower borrowings during the year as the company saw decline in the AUM through reduction in wholesale book. The average cost of borrowings for PEL reduced from 9.6% for FY22 to 8.6% for FY23. However, going forward, the cost of borrowing may increase slightly during Q1FY24/H1FY24 because incremental borrowings are at a higher cost. The net interest income (calculated as 'Interest Income – Finance Cost') increased 15% YoY to ₹3,804 crore, amidst a shift in the loan book mix towards retail, interest reversal, and the impact of negative carry due to excess cash held on the balance sheet. The yields may move in upward trajectory to commensurate with the cost of borrowings and therefore the net interest margin (NIM) is expected to be stable.

The operating expenses (including fee and commission expenses) increased 84% y-o-y primarily due to full year impact of DHFL acquisition and expenses associated with expansion of the cost intensive retail lending branches from 309 branches as of FY22 to 404 branches as of FY23. Investments in building retail infrastructure like increase in branch network and employee headcount have led to increase in the operating expenses. With increase in book size, economies of scale will help taper this over time. The company is looking to add 500-600 branches taking the total to 1,000 locations. The overall provisions and fair value increased to ₹5,179 from ₹830 crore in FY22. The increase was primarily driven by resolution of legacy wholesale book, i.e., Wholesale 1.0. During Q2FY23, the company made significant provisions and write-offs as it classified certain large wholesale accounts from Stage 1 to Stage 2 (of ₹5,888 crore). Net profit after tax (excluding profit from discontinued operations) for FY23 stood at

₹9,969 crore as compared with ₹1,662 crore in FY22 due to exceptional gain of ₹8,066 crore in FY23 pertaining to demerger-related transaction and a one-time DTL reversal of ₹3,978 crore (related to the DHFL transaction).

#### **Ability to raise funds at competitive rates**

Majority of the borrowings of PEL are in the form of non-convertible debentures (NCD) instruments and the largest category of lenders are banks as on March 31, 2023, due to issues of NCDs to the lenders in satisfaction of their claims during DHFL acquisition. These NCDs helped PEL reduce its cost of borrowings, elongate the weighted average tenor of borrowings in addition to increasing the proportion of fixed rate of borrowing. Around 59% of its borrowings are on fixed rate, whereas only 32% of its assets are on fixed rate as on March 31, 2023. However, PEL is currently relying more on bank borrowings than capital markets instruments for its incremental funding requirements. The weighted average maturity profile of borrowings in PEL is 3.1 years as on March 31, 2023, which is lower than the wholesale loans it funds which has a term of 3 to 5 years and housing loans with tenors ranging over 10 years. PEL has, in the past, refinanced its debt and lowered its average borrowing cost but its average borrowing cost is still higher than similar rated NBFCs. PEL had liquidity of ₹7,430 crore as on March 31, 2023, which is around 15% of the total debt and scheduled collections from the loan portfolio and provides additional comfort. The ability of PEL to raise long-term funds at competitive rates from varied sources to fund its incremental loan book as well as repay its debt is a key rating sensitivity.

#### **Liquidity: Adequate**

PEL had liquidity of ₹7,430 crore as on March 31, 2023, which is around 15% of the total debt and scheduled collections from the loan portfolio and provides additional comfort. Shriram stake sale in Q1FY24 also bolstered the liquidity.

LCR for PEL and PCHFL on a standalone basis stood at 486% and 119%, respectively, as on March 31, 2023, over the regulatory requirements.

#### **Environment, social, and governance (ESG) risks**

- Climate strategies and emissions management.
- Adoption of the 5R waste hierarchy to manage resources including paper and e-waste, promoting responsible usage and disposal.
- Installation of sensor-based taps in corporate office washrooms and monitoring consumption to identify areas for improvement.
- Gender-neutral leave policy for primary caregivers, as well as a 'Parental Support Scheme' applicable to all employees.
- Introduction of second innings initiative which aims to reintroduce experienced female workers to the organisation who have previously taken a sabbatical from their professions.
- By leveraging different perspectives, experience, expertise, gender, and culture, the Board aims to maintain the company's competitive advantage and establish itself as a leading entity. PEL has a Board gender diversity of 36%.

#### **Applicable criteria**

[Policy on default recognition](#)

[Consolidation](#)

[Factoring Linkages Parent Sub JV Group](#)

[Financial Ratios - Financial Sector](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Housing Finance Companies](#)

[Market Linked Notes](#)

[Non Banking Financial Companies](#)

[Policy on Withdrawal of Ratings](#)

#### **About the company and industry**

#### **Industry classification**

Macro-Economic Indicator	Sector	Industry	Basic Industry
Financial Services	Financial Services	Finance	Non-Banking Finance Company (NBFC)

Incorporated in April 1947, Piramal Enterprises Limited (PEL) is a systemically important non-deposit taking non-banking financial company (NBFC), which got registered with the Reserve Bank of India (RBI) w.e.f. July 22, 2022. Under the scale-based regulations of the RBI, PEL is classified as NBFC – Middle Layer. PEL along with its 100% subsidiary, PCHFL (Piramal Capital & Housing Finance Limited) collectively called the group has presence across retail lending, wholesale lending, and fund-based platforms with a network of over 400 branches across 26 states/UTs. The group provides end-to-end financing solutions in both wholesale and retail funding opportunities across sectors, such as real estate and infrastructure, renewable energy, hospitality, logistics, industrials and auto components.

Within retail lending, through its multi-product platform, the group offers home loans (through PCHFL), loans for small businesses and loans for working capital to customers in affordable housing and mass affluent segments across tier-I, tier-II, and tier-III cities. Within wholesale lending, the business provides financing to real estate developers, as well as corporate clients in select sectors.

#### PEL Consolidated Financials

Brief Financials (₹ crore)	31-03-2021 (A)	31-03-2022 (A)	31-03-2023 (A)
Total income	-	7,911	9,087
PAT	-	1,221	1,514
Total assets	-	99,873	83,752
Net NPA (%)	-	1.60	1.93
ROTA (%)	-	-	10.86

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

#### PEL Standalone Financials

Brief Financials (₹ crore)	31-03-2021 (A)	31-03-2022 (A)	31-03-2023 (A)
Total income	-	2,396	4,796
PAT	-	964	14,333*
Total assets	-	33,331	33,104
Net NPA (%)	-	-	2.27^
ROTA (%)	-	-	43.15

\*Includes an exceptional gain of ₹11,912 crore on account of revaluation of Pharma assets before demerger

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

^As per NBFC Regulatory Disclosures

#### PCHFL Standalone Financials

Brief Financials (₹ crore)	31-03-2021 (A)	31-03-2022 (A)	31-03-2023 (A)
Total income	5,088	6,105	6,650
PAT	1,034	526	-7,425
Total assets	42,357	79,702	61,748
Net NPA (%)	1.84	1.16	1.87
ROTA (%)	2.50	0.94	-11.32

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments / facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based – LT/ST-Term loan	-	-	-	31-Mar-26	3,000.00	CARE AA; Stable / CARE A1+
Non-convertible debentures	INE140A07179	14-Jul-16	9.75%	14-Jul-26	35.00	CARE AA; Stable
Non-convertible debentures	INE140A07211	19-Jul-16	9.75%	17-Jul-26	5.00	CARE AA; Stable
Non-convertible debentures	INE140A07591	21-May-20	8.55%	19-May-23	-	Withdrawn
Non-convertible debentures	INE140A07732	10-Mar-23	8.75%	29-May-26	100.00	CARE AA; Stable
Non-convertible debentures	INE02LM07055	15-Dec-20	10.25%	30-Dec-22	-	Withdrawn
Non-convertible debentures	INE02LM07063	29-Jan-21	10.25%	30-Dec-22	-	Withdrawn
Non-convertible debentures	Proposed	-	-	-	4,954.00	CARE AA; Stable
Non-convertible debentures - Public	Proposed	-	-	-	3,000.00	CARE AA; Stable
Market-linked debentures	INE140A07641	12-Jul-21	8.15%	12-Jan-23	-	Withdrawn
Market-linked debentures	INE140A07633	28-Jun-21	8.25%	28-Jun-23	365.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07633	05-Jul-21	8.25%	28-Jun-23	125.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07658	27-Sep-21	8.00%	27-Mar-24	400.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07666	02-Mar-22	8.00%	02-Sep-24	125.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07666	28-Mar-22	8.00%	02-Sep-24	175.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07674	04-May-22	8.00%	04-Nov-24	100.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07682	24-May-22	8.00%	24-May-24	100.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07682	15-Jul-22	8.00%	24-May-24	70.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07682	02-Aug-22	8.00%	24-May-24	75.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07690	20-Sep-22	8.00%	20-Sep-24	215.00	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07708	23-Sep-22	8.10%	23-May-25	50.30	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07708	09-Nov-22	8.10%	23-May-25	50.50	CARE PP-MLD AA; Stable
Market-linked debentures	INE140A07682	01-Dec-22	8.00%	24-May-24	100.00	CARE PP-MLD AA; Stable
Market-linked debentures	Proposed	-	-	-	947.20	CARE PP-MLD AA; Stable
Inter-corporate deposit	Proposed	-	-	Upto 365 days	250.00	CARE A1+
Commercial paper	Proposed	-	-	7-365 days	3,820.75	CARE A1+
Commercial paper	INE140A14W91	12-Oct-22	7.80%	12-Oct-23	25.00	CARE A1+
Commercial paper	INE140A14X90	16-Dec-22	8.40%	31-Jul-23	10.00	CARE A1+
Commercial paper	INE140A14Y08	19-Dec-22	8.60%	15-Sep-23	200.00	CARE A1+
Commercial paper	INE140A14Y32	03-Jan-23	9.00%	01-Dec-23	150.00	CARE A1+
Commercial paper	INE140A14Y32	03-Jan-23	9.00%	01-Dec-23	50.00	CARE A1+
Commercial paper	INE140A14Y40	09-Jan-23	9.00%	29-Dec-23	200.00	CARE A1+

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Commercial paper	INE140A14Y57	09-Jan-23	9.00%	08-Jan-24	200.00	CARE A1+
Commercial paper	INE140A14X90	24-Jan-23	8.50%	31-Jul-23	25.00	CARE A1+
Commercial paper	INE140A14Y73	31-Jan-23	8.75%	26-Oct-23	150.00	CARE A1+
Commercial paper	INE140A14Y81	01-Feb-23	8.75%	27-Oct-23	150.00	CARE A1+
Commercial paper	INE140A14Z23	10-Feb-23	8.50%	09-Aug-23	10.00	CARE A1+
Commercial paper	INE140A14Z72	27-Feb-23	8.90%	20-Sep-23	150.00	CARE A1+
Commercial paper	INE140A140A7	10-Mar-23	9.05%	07-Mar-24	34.00	CARE A1+
Commercial paper	INE140A14Z72	28-Mar-23	8.90%	20-Sep-23	20.00	CARE A1+
Commercial paper	INE140A140F6	31-Mar-23	8.90%	26-Sep-23	100.00	CARE A1+
Commercial paper	INE140A140G4	06-Apr-23	8.80%	03-Oct-23	50.00	CARE A1+
Commercial paper	INE140A140H2	12-Apr-23	8.50%	11-Jul-23	255.25	CARE A1+
Commercial paper	INE140A140I0	13-Apr-23	8.90%	28-Mar-24	10.00	CARE A1+
Commercial paper	INE140A140J8	18-Apr-23	9.00%	15-Jan-24	5.00	CARE A1+
Commercial paper	INE140A140L4	24-Apr-23	8.70%	20-Oct-23	26.00	CARE A1+
Commercial paper	INE140A140M2	02-May-23	8.40%	01-Aug-23	5.00	CARE A1+
Commercial paper	INE140A140M2	02-May-23	8.40%	01-Aug-23	5.00	CARE A1+
Commercial paper	INE140A140M2	03-May-23	8.40%	01-Aug-23	20.00	CARE A1+
Commercial paper	INE140A140M2	03-May-23	8.40%	01-Aug-23	3.00	CARE A1+
Commercial paper	INE140A14Y81	03-May-23	8.60%	27-Oct-23	10.00	CARE A1+
Commercial paper	INE140A140N0	09-May-23	8.70%	02-Feb-24	5.00	CARE A1+
Commercial paper	INE140A140O8	11-May-23	8.60%	07-Nov-23	15.00	CARE A1+
Commercial paper	INE140A14Z23	12-May-23	8.35%	09-Aug-23	20.00	CARE A1+
Commercial paper	INE140A140P5	16-May-23	8.40%	14-Sep-23	40.00	CARE A1+
Commercial paper	INE140A140R1	26-May-23	8.60%	22-Nov-23	6.00	CARE A1+
Commercial paper	INE140A140S9	29-May-23	8.30%	28-Aug-23	10.00	CARE A1+
Commercial paper	INE140A140S9	01-Jun-23	8.30%	28-Aug-23	10.00	CARE A1+
Commercial paper	INE140A140T7	09-Jun-23	8.30%	07-Sep-23	25.00	CARE A1+
Commercial paper	INE140A140U5	19-Jun-23	8.30%	14-Sep-23	125.00	CARE A1+
Commercial paper	INE140A140V3	22-Jun-23	8.70%	20-Mar-24	5.00	CARE A1+
Commercial paper	INE140A140W1	27-Jun-23	8.50%	24-Jan-24	25.00	CARE A1+
Commercial paper	INE140A140X9	30-Jun-23	8.45%	14-Dec-23	30.00	CARE A1+

\*Details of Instruments as on June 30, 2023

### Annexure-2: Rating history of last three years

	Current Ratings	Rating History
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Sr. No.	Name of the Instrument/Bank Facilities	Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Debentures-Non Convertible Debentures	-	-	-				
2	Debentures-Non Convertible Debentures	LT	100.00	CARE AA; Stable	-	1)CARE AA; Stable (20-Dec-22) 2)CARE AA; Stable (08-Jul-22) 3)CARE AA (CW with Developing Implications) (06-Apr-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21) 2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20)
3	Commercial Paper-Commercial Paper (Standalone)	ST	5000.00	CARE A1+	-	1)CARE A1+ (20-Dec-22) 2)CARE A1+ (08-Jul-22) 3)CARE A1+ (06-Apr-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21) 3)CARE A1+ (30-Dec-20) 4)CARE A1+ (28-Apr-20)
4	Fund-based - LT/ST-Term loan	LT/ST*	2000.00	CARE AA; Stable / CARE A1+	-	1)CARE AA; Stable / CARE A1+ (20-Dec-22) 2)CARE AA; Stable (08-Jul-22) 3)CARE AA (CW with Developing Implications) (06-Apr-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21) 2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20)
5	Inter Corporate Deposit	ST	250.00	CARE A1+	-	1)CARE A1+ (20-Dec-22) 2)CARE A1+ (08-Jul-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21)

						3)CARE A1+ (06-Apr-22)		3)CARE A1+ (30-Dec-20)
6	Commercial Paper- Commercial Paper (Standalone)	ST	1000.00	CARE A1+	-	1)CARE A1+ (20-Dec-22) 2)CARE A1+ (08-Jul-22) 3)CARE A1+ (06-Apr-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21) 3)CARE A1+ (30-Dec-20) 4)CARE A1+ (28-Apr-20)
7	Non-fund-based - ST-BG/LC	ST	-	-	-	-	-	1)Withdrawn (30-Dec-20)
8	Fund-based - LT/ ST-Term loan	LT/ST*	1000.00	CARE AA; Stable / CARE A1+	-	1)CARE AA; Stable / CARE A1+ (20-Dec-22) 2)CARE A1+ (08-Jul-22) 3)CARE A1+ (06-Apr-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21) 3)CARE A1+ (30-Dec-20)
9	Debentures-Non Convertible Debentures	ST	-	-	-	1)Withdrawn (08-Jul-22) 2)CARE A1+ (06-Apr-22)	1)CARE A1+ (11-Oct-21)	1)CARE A1+ (31-Mar-21) 2)CARE A1+ (28-Jan-21) 3)CARE A1+ (30-Dec-20)
10	Debentures-Non Convertible Debentures	LT	-	-	-	1)CARE AA; Stable (20-Dec-22) 2)CARE AA; Stable (08-Jul-22) 3)CARE AA (CW with Developing Implications) (06-Apr-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21) 2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20)
11	Debentures-Non Convertible Debentures	LT	200.00	CARE AA; Stable	-	1)CARE AA; Stable (20-Dec-22) 2)CARE AA; Stable (08-Jul-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21)



						3)CARE AA (CW with Developing Implications) (06-Apr-22)		2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20)
12	Debentures-Non Convertible Debentures	LT	334.00	CARE AA; Stable	-	1)CARE AA; Stable (20-Dec-22) 2)CARE AA; Stable (08-Jul-22) 3)CARE AA (CW with Developing Implications) (06-Apr-22)	1)CARE AA (CW with Developing Implications) (11-Oct-21)	1)CARE AA (CW with Developing Implications) (31-Mar-21) 2)CARE AA (CW with Developing Implications) (28-Jan-21) 3)CARE AA; Stable (30-Dec-20) 4)CARE AA; Stable (24-Apr-20)
13	Debentures-Market Linked Debentures	LT	898.00	CARE PP-MLD AA; Stable	-	1)CARE PP-MLD AA; Stable (20-Dec-22) 2)CARE PP-MLD AA; Stable (08-Jul-22) 3)CARE PP-MLD AA (CW with Developing Implications) (06-Apr-22)	1)CARE PP-MLD AA (CW with Developing Implications) (11-Oct-21) 2)CARE PP-MLD AA (CW with Developing Implications) (17-Jun-21)	-
14	Debentures-Market Linked Debentures	LT	1000.00	CARE PP-MLD AA; Stable	-	1)CARE PP-MLD AA; Stable (20-Dec-22) 2)CARE PP-MLD AA; Stable (08-Jul-22) 3)CARE PP-MLD AA (CW with Developing Implications)	1)CARE PP-MLD AA (CW with Developing Implications) (11-Oct-21)	-

						(06-Apr-22)		
15	Debentures-Market Linked Debentures	LT	1000.00	CARE PP-MLD AA; Stable	-	1)CARE PP-MLD AA; Stable (20-Dec-22) 2)CARE PP-MLD AA; Stable (08-Jul-22)	-	-
16	Debentures-Non Convertible Debentures	LT	460.00	CARE AA; Stable	-	1)CARE AA; Stable (20-Dec-22)	-	-
17	Debentures-Non Convertible Debentures	LT	3000.00	CARE AA; Stable				
18	Debentures-Non Convertible Debentures	LT	4000.00	CARE AA; Stable				

\*Long term / Short term

### Annexure-3: Detailed explanation of covenants of the rated instruments/facilities – Not Available

Name of the Instrument	Detailed Explanation
<b>A. Financial covenants</b>	
<b>I</b>	
<b>B. Non financial covenants</b>	
<b>I</b>	

### Annexure-4: Complexity level of various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Commercial Paper-Commercial Paper (Standalone)	Simple
2	Debentures-Market Linked Debentures	Highly Complex
3	Debentures-Non Convertible Debentures	Simple
4	Fund-based - LT/ ST-Term loan	Simple
5	Inter Corporate Deposit	Simple

### Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

### Annexure 6: Entities considered for consolidation as on March 31, 2023

Sr. no.	Subsidiary	Extent of Consolidation (%)	Rationale for consolidation
1	Piramal Capital & Housing Finance Limited	100%	Wholly-owned subsidiary
2	Asset Resurgence Mauritius Manager	50%	Joint Venture
3	DHFL Advisory and Investment Private Limited	100%	Wholly-owned subsidiary
4	DHFL Changing Lives Foundation	100%	Wholly-owned subsidiary
5	DHFL Holdings Limited	100%	Wholly-owned subsidiary
6	DHFL Investments Limited	100%	Wholly-owned subsidiary
7	DHFL Ventures Trustee Company Private Limited	40%	Associate
8	India Resurgence ARC Private Limited	50%	Joint Venture
9	India Resurgence Asset Management Business Private Limited	50%	Joint Venture
10	INDIAREIT Investment Management Co.	100%	Wholly-owned subsidiary
11	PEL Finhold Private Limited	100%	Wholly-owned subsidiary

Sr. no.	Subsidiary	Extent of Consolidation (%)	Rationale for consolidation
12	Piramal Alternatives Private Limited	100%	Wholly-owned subsidiary
13	Piramal Asset Management Private Limited, Singapore	100%	Wholly-owned subsidiary
14	Piramal Consumer Products Private Limited	100%	Wholly-owned subsidiary
15	Piramal Dutch IM Holdco B.V	100%	Wholly-owned subsidiary
16	Piramal Finance Sales & Services Private Limited	100%	Wholly-owned subsidiary
17	Piramal Fund Management Private Limited	100%	Wholly-owned subsidiary
18	Piramal International	100%	Wholly-owned subsidiary
19	Piramal Investment Advisory Services Private Limited	100%	Wholly-owned subsidiary
20	Piramal Payment Services Limited	100%	Wholly-owned subsidiary
21	Piramal Securities Limited	100%	Wholly-owned subsidiary
22	Piramal Systems & Technologies Private Limited	100%	Wholly-owned subsidiary
23	Piramal Technologies SA	100%	Wholly-owned subsidiary
24	Pramerica Life Insurance Limited	50%	Joint Venture
25	PRL Agastya Private Limited (w.e.f. December 12, 2022)	100%	Wholly-owned subsidiary
26	Shriram General Insurance Company Limited	13.33%	Associate
27	Shriram GI Holdings Private Limited	20%	Associate
28	Shriram Investment Holdings Limited	20%	Associate
29	Shriram LI Holdings Private Limited	20%	Associate
30	Shriram Life Insurance Company	14.91%	Associate
31	Virdis Infrastructure Investment Managers Private Limited	100%	Wholly-owned subsidiary

**Note on complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

### Contact us

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**About us:**

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**ANNEXURE B**

**DEBENTURE TRUSTEE CONSENT LETTER**

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**Consent letter from Debenture Trustee**Date: 28<sup>th</sup> August, 2023

Ref No: 57054/ITSL/OPR/CL/23-24/DEB/528

To,

**The Board of Directors**

Piramal Enterprises Limited  
Piramal Ananta, Agastya Corporate Park,  
Opposite Fire Brigade, Kamani Junction,  
LBS Marg, Kurla (West),  
Mumbai – 400 070  
Maharashtra, India

Dear Sir/Madam,

**Re: Proposed Public Issue by Piramal Enterprises Limited ("Company") of secured non-convertible debentures of face value ₹ [1000] each aggregating upto ₹ [3000] Crores ("NCDs") through one or more tranches ("Issue")**

We, the undersigned, hereby give our consent to our name being included as Debenture Trustee to the Issue in accordance with Schedule I of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, as amended in the Draft Shelf Prospectus to be filed with BSE Limited and National Stock Exchange of India Limited where the NCDs are proposed to be listed ("Stock Exchanges") for the purposes of receiving public comments and with the Securities and Exchange Board of India ("SEBI"), the Shelf Prospectus and the Tranche Prospectus(es) to be filed with the Registrar of Companies, Maharashtra at Mumbai ("RoC"), the Stock Exchanges and SEBI in respect of the Issue and all other documents, including application forms and abridged prospectus advertisements, and subsequent periodical communications sent to the holders of the NCDs pursuant to the Issue (collectively referred to as the "Offer Documents").

We hereby authorise you / your representative to deliver this letter of consent to the Stock Exchanges, the RoC, SEBI and/or such other regulatory / governmental authority, as may be required by law or in seeking to establish a defense in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation and to upload on the website of Company, if required.

The following details with respect to us may be disclosed in the Offer Documents:



Logo:

Name:

IDBI Trusteeship Services Limited

Address:

Universal Insurance Building, Ground Floor, Sir P.M. Road, Fort, Mumbai - 400001

Tel:

(91) (22) 40807015

Fax:

(91) (22) 6631 1776

E-mail:

[response@idbitrustee.com](mailto:response@idbitrustee.com)

Investor Grievance

E-mail Id: [response@idbitrustee.com](mailto:response@idbitrustee.com)

Website:

[www.idbitrustee.com](http://www.idbitrustee.com)

Contact Person:

Mr. Nikhil Lohana / Mr. Gaurav Jeswani / Mr. Yash Ghelani

SEBI Registration Number: IND000000460

CIN:

U65991MH2001GOI131154

We confirm that the above details in relation to us are true, correct and complete in all respects.

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our SEBI registration certificate and declaration regarding our registration with SEBI in the required format in **Annexure A**. We certify that we have not been prohibited or debarred by SEBI or any other regulatory authority, court or tribunal to act as an intermediary in securities market issues. We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We further confirm that no enquiry / investigation is being conducted by SEBI on us.

We shall immediately intimate the Company in writing of any changes, additions or deletions in respect of the aforesaid details till the date when the NCDs of the Company offered, issued and allotted pursuant to the Issue, are traded on the Stock



## **IDBI Trusteeship Services Ltd.**

CIN : U65991MH2001GOI131154



Exchanges. In absence of any such communication from us, the above information should be taken as updated information until the listing and commencement of trading of the NCDs on the Stock Exchanges.

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

This consent letter is for information and for inclusion (in part or full) in the Offer Documents or any other Offer-related material, and may be relied upon by the Company, the Lead Managers and the legal counsels appointed by the Company and the Lead Managers in relation to the Issue. I hereby consent to the submission of this letter as may be necessary to the SEBI, the RoC, the relevant stock exchanges and any other regulatory authority and/or for the records to be maintained by the Lead Managers and in accordance with applicable law.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the draft shelf prospectus/ shelf prospectus/ tranche prospectus(es) filed in relation to the Issue.

Yours faithfully,

For **IDBI Trusteeship Services Limited**

A handwritten signature in blue ink that reads 'Yash Ghelani'.



**Authorised Signatory**

**Name: Yash Ghelani**

**Designation: Asst. Manager**



डिबेंचर न्यासी

प्ररूप ख  
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनियम बोर्ड  
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993  
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000 २६३

(विनियम 8)

(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र  
CERTIFICATE OF REGISTRATION

- 1) बोर्ड, भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,  
1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

**IDBI TRUSTESHIP SERVICES LIMITED  
ASIAN BUILDING, GROUND FLOOR  
17, R. KAMANI MARG  
BALLARD ESTATE  
MUMBAI-400 001**

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।  
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

- 2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट  
2) Registration Code for the debenture trustee is

है।  
**IND000000460**

- 3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र  
3) Unless renewed, the certificate of registration is valid from

से तक विधिमान्य है।  
**This certificate of registration shall be valid unless it is suspended or cancelled by the board**

स्थान Place : **MUMBAI**

तारीख Date : **FEBRUARY 14, 2017**



आदेश से  
भारतीय प्रतिभूति और विनियम बोर्ड  
के लिए और उसकी ओर से  
By order  
For and on behalf of  
**Securities and Exchange Board of India**

*M. J. Sanparote*  
**MEDHASONPAROTE**

प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory





**ANNEXURE C**

**ILLUSTRATIVE CASH FLOW AND DAY COUNT CONVENTION**

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

**Series I**

<b>2 years - Annual Coupon Payment</b>	
<b>Company</b>	Piramal Enterprises Limited
<b>Face Value per NCD (in Rs.)</b>	1000
<b>Number of NCDs held (assumed)</b>	1
<b>Deemed date of allotment (assumed)</b>	November 8, 2023
<b>Tenor</b>	2 years
<b>Coupon Rate (% per annum) for NCD Holders in all Categories of Investors</b>	9.00%
<b>Redemption Date/Maturity Date (assumed)</b>	November 8, 2025
<b>Frequency of interest payment with specified dates</b>	Annual. First interest due on November 8, 2024 and subsequently on the November 8th of every year and the last interest payment will be made at the time of redemption of the NCDs
<b>Effective Yield (% per annum) for NCD Holders in all Categories of Investors</b>	9.00%
<b>Day Count Convention</b>	Actual/Actual

<b>Cash Flows</b>	<b>Due Date</b>	<b>Date of Payment</b>	<b>No. of days in Coupon Period</b>	<b>For Category I, II, III &amp; IV Investors (INR)</b>
Deemed date of allotment	Wednesday, 8 November, 2023	Wednesday, 8 November, 2023		-1000.00
Coupon/Interest Payment 1	Friday, 8 November, 2024	Friday, 8 November, 2024	366	90.00
Coupon/Interest Payment 2	Saturday, 8 November, 2025	Friday, 7 November, 2025	365	90.00
Principal	Saturday, 8 November, 2025	Friday, 7 November, 2025		1000

**Series II**

<b>3 years - Annual Coupon Payment</b>	
<b>Company</b>	Piramal Enterprises Limited
<b>Face Value per NCD (in Rs.)</b>	1000
<b>Number of NCDs held (assumed)</b>	1
<b>Deemed date of allotment (assumed)</b>	November 8, 2023
<b>Tenor</b>	3 years
<b>Coupon Rate (% per annum) for NCD Holders in all Categories of Investors</b>	9.05%
<b>Redemption Date/Maturity Date (assumed)</b>	November 8, 2026
<b>Frequency of interest payment with specified dates</b>	Annual. First interest due on November 8, 2024 and subsequently on the November 8th of every

	year and the last interest payment will be made at the time of redemption of the NCDs
<b>Effective Yield (% per annum) for NCD Holders in all Categories of Investors</b>	9.05%
<b>Day Count Convention</b>	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (INR)
Deemed date of allotment	Wednesday, 8 November, 2023	Wednesday, 8 November, 2023		-1000.00
Coupon/Interest Payment 1	Friday, 8 November, 2024	Friday, 8 November, 2024	366	90.50
Coupon/Interest Payment 2	Saturday, 8 November, 2025	Monday, 10 November, 2025	365	90.50
Coupon/Interest Payment 3	Sunday, 8 November, 2026	Friday, 6 November, 2026	365	90.50
Principal	Sunday, 8 November, 2026	Friday, 6 November, 2026		1000.00

### Series III

5 years - Annual Coupon Payment	
<b>Company</b>	Piramal Enterprises Limited
<b>Face Value per NCD (in Rs.)</b>	1000
<b>Number of NCDs held (assumed)</b>	1
<b>Deemed date of allotment (assumed)</b>	November 8, 2023
<b>Tenor</b>	5 years
<b>Coupon Rate (% per annum) for NCD Holders in all Categories of Investors</b>	9.20%
<b>Redemption Date/Maturity Date (assumed)</b>	November 8, 2028
<b>Frequency of interest payment with specified dates</b>	Annual. First interest due on November 8, 2024 and subsequently on the November 8th of every year and the last interest payment will be made at the time of redemption of the NCDs
<b>Effective Yield (% per annum) for NCD Holders in all Categories of Investors</b>	9.19%
<b>Day Count Convention</b>	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (INR)
Deemed date of allotment	Wednesday, 8 November, 2023	Wednesday, 8 November, 2023		-1000.00
Coupon/Interest Payment 1	Friday, 8 November, 2024	Friday, 8 November, 2024	366	92.00
Coupon/Interest Payment 2	Saturday, 8 November, 2025	Monday, 10 November, 2025	365	92.00
Coupon/Interest Payment 3	Sunday, 8 November, 2026	Monday, 9 November, 2026	365	92.00
Coupon/Interest Payment 4	Monday, 8 November, 2027	Monday, 8 November, 2027	365	92.00

Coupon/Interest Payment 5	Wednesday, 8 November, 2028	Wednesday, 8 November, 2028	366	92.00
Principal	Wednesday, 8 November, 2028	Wednesday, 8 November, 2028		1000.00

#### Series IV

10 years - Annual Coupon Payment	
<b>Company</b>	Piramal Enterprises Limited
<b>Face Value per NCD (in Rs.)</b>	1000
<b>Number of NCDs held (assumed)</b>	1
<b>Deemed date of allotment (assumed)</b>	November 8, 2023
<b>Tenor</b>	10 years
<b>Coupon Rate (% per annum) for NCD Holders in all Categories of Investors</b>	9.35%
<b>Redemption Date/Maturity Date (assumed)</b>	November 8, 2033
<b>Frequency of interest payment with specified dates</b>	Annual. First interest due on November 8, 2024 and subsequently on the November 8th of every year and the last interest payment will be made at the time of redemption of the NCDs
<b>Effective Yield (% per annum) for NCD Holders in all Categories of Investors</b>	9.34%
<b>Day Count Convention</b>	Actual/Actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	For Category I, II, III & IV Investors (INR)
Deemed date of allotment	Wednesday, 8 November, 2023	Wednesday, 8 November, 2023		-1000.00
Coupon/Interest Payment 1	Friday, 8 November, 2024	Friday, 8 November, 2024	366	93.50
Coupon/Interest Payment 2	Saturday, 8 November, 2025	Monday, 10 November, 2025	365	93.50
Coupon/Interest Payment 3	Sunday, 8 November, 2026	Monday, 9 November, 2026	365	93.50
Coupon/Interest Payment 4	Monday, 8 November, 2027	Monday, 8 November, 2027	365	93.50
Coupon/Interest Payment 5	Wednesday, 8 November, 2028	Wednesday, 8 November, 2028	366	93.50
Coupon/Interest Payment 6	Thursday, 8 November, 2029	Thursday, 8 November, 2029	365	93.50
Coupon/Interest Payment 7	Friday, 8 November, 2030	Friday, 8 November, 2030	365	93.50
Coupon/Interest Payment 8	Saturday, 8 November, 2031	Monday, 10 November, 2031	365	93.50
Coupon/Interest Payment 9	Monday, 8 November, 2032	Monday, 8 November, 2032	366	93.50
Coupon/Interest Payment 10	Tuesday, 8 November, 2033	Tuesday, 8 November, 2033	365	93.50
Principal	Tuesday, 8 November, 2033	Tuesday, 8 November, 2033		1000.00

**Assumptions:**

1. The Deemed Date of Allotment is assumed to be November 8, 2023. If the Deemed Date of Allotment undergoes a change, the coupon payments dates, redemption dates, redemption amount and other cash flow working shall be changed accordingly.
2. Interest payable during the Year 2024, 2028 and 2032 being leap years; have been calculated for 366 days.
3. Coupon Payments falling on Saturdays (which are Working Days) will be made on same day.

**Note:** *In case the Redemption Date (also being the last Interest Payment Date) does not fall on a Working Day, the payment will be made on the immediately preceding Working Day, along with coupon/interest on the NCDs until but excluding the date of such payment.*