



PIRAMAL CAPITAL & HOUSING FINANCE LIMITED

Piramal Capital & Housing Finance Limited (our "Company") was incorporated as Piramal Housing Finance Private Limited, a private limited company, on February 10, 2017 under the provisions of the Companies Act, 2013, pursuant to a certificate of incorporation dated February 13, 2017 issued by the Registrar of Companies, Central Registration Centre. Subsequently, upon conversion of our Company into a public limited company with effect from September 28, 2017, our name was changed to Piramal Housing Finance Limited and a fresh certificate of incorporation dated October 17, 2017 was granted by the Registrar of Companies, Maharashtra at Mumbai ("RoC"). Subsequently, pursuant to the Scheme of Amalgamation, the name of our Company was changed to Piramal Capital & Housing Finance Limited, and a fresh certificate of incorporation dated June 12, 2018 pursuant to change of name was granted by the RoC. Our Company has obtained a certificate of registration dated December 1, 2017, bearing registration number 12.0163.17 from the National Housing Bank ("NHB") to carry on the business of a housing finance institution without accepting public deposits in accordance with Section 29A of National Housing Bank Act, 1987. Subsequently, our Company obtained a fresh certificate of registration dated February 12, 2020 bearing registration number DOR-00163 from RBI to carry on the business of a housing finance institution without accepting public deposits. For details regarding changes to our Registered Office, see "History and Main Objects" beginning on page 127 of the Shelf Prospectus.

Corporate Identity Number: U65999MH2017PLC291071
Registered and Corporate Office: 4th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013
Tel: (91 22) 6230 9200; Fax: (91 22) 6151 3444; Website: www.pchf.in
Company Secretary and Compliance Officer: Bipin Singh; Tel: (91 22) 3046 5903; Fax: (91 22) 6151 3444; Email: investorrelations.pchf@piramal.com

PUBLIC ISSUE BY PIRAMAL CAPITAL & HOUSING FINANCE LIMITED ("COMPANY" OR THE "ISSUER") OF SECURED, RATED, LISTED, REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH ("NCDs") FOR AN AMOUNT OF ₹ 20,000 LAKHS ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 80,000 LAKHS AGGREGATING UP TO 1,00,00,000 NCDs AMOUNTING TO ₹ 1,00,00,000 LAKHS ("TRANCHE I ISSUE LIMIT") ("TRANCHE I ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹ 2,00,000 LAKHS AND IS BEING OFFERED BY WAY OF THIS TRANCHE I PROSPECTUS DATED JUNE 30, 2021 CONTAINING INTER ALIA THE TERMS AND CONDITIONS OF TRANCHE I ISSUE ("TRANCHE I PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED JUNE 30 2021 ("SHELF PROSPECTUS") FILED WITH THE REGISTRAR OF COMPANIES, MAHARASHTRA AT MUMBAI ("ROC"), STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"), THE SHELF PROSPECTUS AND TRANCHE I PROSPECTUS CONSTITUTE THE PROSPECTUS ("PROSPECTUS"). THIS ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED (THE "SEBI DEBT REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER, EACH AS AMENDED (THE "COMPANIES ACT, 2013").

PROMOTER					
Our Promoter is Piramal Enterprises Limited. For further details, see "Our Promoter" beginning on page 138 of the Shelf Prospectus.					
GENERAL RISKS					
Investors are advised to read the Risk Factors carefully before taking an investment decision in the Issue. For taking an investment decision, the investors must rely on their own examination of our Company and the Tranche I Issue including the risks involved. Specific attention of the investors is invited to "Risk Factors" beginning on page 17 of the Shelf Prospectus and "Material Developments" beginning on page 181 of the Shelf Prospectus and page 32 of this Tranche I Prospectus before making an investment in this Tranche I Issue. This Tranche I Prospectus has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), the National Housing Bank ("NHB"), the RoC or any stock exchange in India nor do they guarantee the accuracy or adequacy of this Tranche I Prospectus.					
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, 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 read together with Shelf Prospectus, is true and correct in all material respects and is not misleading in any material respect and that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Tranche I Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.					
CREDIT RATING					
The NCDs proposed to be issued pursuant to this Issue have been rated CARE AA (CWD) (Double A) (Under Credit Watch with Developing Implications) by CARE Ratings Limited for an amount of up to ₹ 2,00,000 lakhs by way of its letter bearing reference number CARE/HO/RL/2020-21/4772 and dated March 24, 2021 further reevaluated by way of its letter dated June 23, 2021 bearing reference number CARE/HO/RL/2021-22/1582 and [ICRA] AA (pronounced as ICRA double A) (Outlook: Negative) by ICRA Limited for an amount of up to ₹ 2,00,000 lakhs by way of its letter bearing reference number MUM/20-21/3582 and dated March 23, 2021 further reevaluated by way of its letter dated June 24, 2021 bearing reference number ICRA/Piramal Capital & Housing Finance Limited/24062021/01. The ratings provided by CARE and ICRA may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For details regarding rating letters and rationale for the aforementioned rating, see "Annexure A1", and "Annexure A2", beginning on pages 103 and 104 respectively.					
PUBLIC COMMENTS					
The Draft Shelf Prospectus dated March 30, 2021 was filed with the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") on March 31 2021 pursuant to the provisions of the SEBI Debt Regulations and was open for public comments for a period of 7 (seven) Working Days from the date of filing the Draft Shelf Prospectus with the BSE and NSE until 5:00 pm on April 9, 2021. No comments were received on the Draft Shelf Prospectus until 5 p.m. on April 9, 2021.					
LISTING					
The NCDs offered through this Tranche I Prospectus along with the Shelf 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/003/21-22 dated April 9, 2021 and from NSE by way of its letters bearing reference number NSE/LIST/D/2021/0039 dated April 9, 2021 and dated June 28, 2021 bearing reference number NSE/LIST/C/2021/0435 thereby extended the validity of in-principle approval. For the purposes of this Tranche I Issue, BSE shall be the Designated Stock Exchange.					
COUPON RATE, COUPON PAYMENT FREQUENCY, MATURITY DATE, MATURITY AMOUNT AND ELIGIBLE INVESTORS					
For details pertaining to Coupon Rate, Coupon Payment Frequency, Maturity Date and Maturity Amount of the NCDs, see "General Terms of the Issue" beginning on page 33 of this Tranche I Prospectus. For details relating to eligible investors, see "The Issue" beginning on page 24.					
LEAD MANAGERS TO THE ISSUE			REGISTRAR TO THE ISSUE	DEBENTURE TRUSTEE**	
A. K. Capital Services Limited 30-38, Free Press House, 3 rd Floor, Free Press Journal Marg 215, Nariman Point, Mumbai 400 021 Tel: (91 22) 6754 6500 Fax: (91 22) 6610 0594 Email: pchflncd2020@akgroup.co.in Investor grievance email: investor.grievance@akgroup.co.in Website: www.akgroup.co.in Contact person: Ms. Aanchal Wagle/ Mr. Yogesh Paste Compliance officer: Mr. Tejas Dawda SEBI registration no.: INM000010411	Edelweiss Financial Services Limited Edelweiss House, Off CST Road Kalina Mumbai 400 098 Tel: (91 22) 4086 3535 Fax: (91 22) 4086 3610 Email: Pchfl.Ncd@edelweissfin.com Investor grievance email: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact person: Mr. Lokesh Singhi / Ms. Sali Dave Compliance officer: Ms. Bhavana Kapadia SEBI registration no.: INM0000010650	JM Financial Limited 7 th Floor, Cnergy Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025 Tel: (91 22) 6630 3030 Fax: (91 22) 6630 3330 E-mail: pchfl.bondissue2021@jmfl.com Investor Grievance E-mail: grievance.ibd@jmfl.com Website: www.jmfl.com Contact Person: Ms. Prachee Dhuri Compliance officer: Mr. Sunny Shah SEBI Registration No.: INM000010361	Trust Investment Advisors Private Limited 109/110, Balarama, Bandra Kurla Complex, Bandra (E) Mumbai 400 051 Tel: (91 22) 4084 5000 Fax: (91 22) 4084 5066 E-mail: projectarjuna@trustgroup.in Investor Grievance E-mail: customercare@trustgroup.in Website: www.trustgroup.in Contact Person: Ms. Hani Jalan Compliance officer: Mr. Brijmohan Bohra SEBI Registration No.: INM000011120	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai 400 083 Tel: (91 22) 4918 6200 Fax: (91 22) 4918 6195 Email: piramal.ncd@linkintime.co.in Investor grievance email: piramal.ncd@linkintime.co.in Website: www.linkintime.co.in Contact person: Ms. Shanti Gopalkrishnan Compliance officer: Mr. B.N. Ramkrishnan SEBI registration no.: INR000004058	IDBI Trusteeship Services Limited Asian Building, Ground Floor 17, R. Kamani Marg, Ballard Estate Mumbai 400 001 Tel: (91 22) 4080 7000 Fax: (91 22) 6631 1776 Email: response@idbitrustee.com Investor grievance email: response@idbitrustee.com Website: www.idbitrustee.com Contact person: Mr. Nikhil Lohana / Mr. Gaurav Jeswani Compliance officer: Mr. Jatin Bhat SEBI registration no.: IND000000460
TRANCHE I ISSUE PROGRAMME*					
TRANCHE I ISSUE OPENS ON: Monday, July 12, 2021		TRANCHE I ISSUE CLOSES ON: Friday, July 23, 2021			

* This Tranche I Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated in this Tranche Prospectus, except that this Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors or a duly authorised committee thereof. In the event of such an early closure of or extension of this Tranche I Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of this Tranche I Issue has been published on or before such earlier date or initial date of 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 Issue Period. On the Tranche-I Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. on one Working Day post the Tranche I Issue Closing Date. For further details, see "General Information - Tranche I Issue Programme" on page 15.

** IDBI Trusteeship Services Limited pursuant to Regulation 4(4) of the SEBI Debt Regulations and by way of letter dated March 19, 2021 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Shelf Prospectus, this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Tranche I Issue.

A copy of the Shelf Prospectus dated June 30, 2021 has been filed 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 certified copies of all requisite documents. For further details, see "Material Contracts and Documents for Inspection" beginning on page 101 of this Tranche I Prospectus.

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SECTION I: GENERAL

DEFINITIONS/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. References to any legislation, act, regulation, rules, guidelines, clarifications or policies shall be to such legislation, act, regulation, rules, guidelines, clarifications or policies as amended, supplemented or re-enacted from time to time until the date of this Tranche I Prospectus, and any reference to a statutory provision shall include any subordinate legislation notified from time to time pursuant to such provision.

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

General Terms

Term	Description
Company / Issuer	Piramal Capital & Housing Finance Limited (<i>formerly known as Piramal Housing Finance Limited</i>), a public limited company incorporated under the provisions of the Companies Act, 2013, having its Registered Office at: 4 th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013
We / us / our	Unless the context otherwise indicates or implies, refers to our Company

Company related terms:

Term	Description
Articles / Articles of Association	Articles of association of our Company
Audit and Risk Management Committee	Audit and risk management committee of our Company, constituted in accordance with applicable laws
Board / Board of Directors	Board of directors of our Company and includes any committee constituted thereof
Corporate Office	4 th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai, Maharashtra - 400013
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Company constituted in accordance with applicable laws
Director(s)	Director(s) of our Company
Effective Date of Amalgamation	May 23, 2018, being the effective date of the Scheme of Amalgamation
Equity Shares	Equity shares of face value ₹ 10 each of our Company
Financial Statements	Reformatted Financial Information
Group Companies of our Company	Aasan Corporate Solutions Private Limited, Brickex Advisors Private Limited, Piramal Corporate Services Private Limited, Piramal Foundation for Educational Leadership, Piramal Udgam Data Management Solutions, Piramal Investment Advisory Services Private Limited, Piramal Trusteeship Services Private Limited, Piramal Securities Limited, Piramal Fund Management Private Limited, PHL Fininvest Private Limited, Piramal Finance Sales & Services Private Limited, Piramal Pharma Limited.
Independent Directors(s)	Independent directors of our Company, as disclosed under “ <i>Our Management</i> ”, beginning on page 130 of the Shelf Prospectus.
Key Managerial Personnel	Key managerial personnel of our Company as disclosed under “ <i>Our Management</i> ”, beginning on page 130 of the Shelf Prospectus and appointed in accordance with provisions of the Companies Act, 2013.
Memorandum / Memorandum of Association	Memorandum of association of our Company
Nomination and Remuneration Committee	Nomination and remuneration committee of our Company, constituted in accordance with applicable laws
Non-Executive Director(s)	Non-executive director of our Company, as disclosed under “ <i>Our Management</i> ”, beginning on page 130 of the Shelf Prospectus.
PCL	Piramal Capital Limited
PFL	Piramal Finance Limited

Term	Description
Piramal Group	Piramal Enterprises Limited, its subsidiaries, its associates and its joint ventures
Promoter	Piramal Enterprises Limited
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
Reformatted Financial Information	Reformatted Financial Information comprising of Reformatted Financial Information under IGAAP and Reformatted Financial Information under Ind AS, collectively
Reformatted Financial Information under IGAAP	<p>Reformatted Financial Information comprising of the reformatted statements of assets and liabilities of the Company as at March 31, 2017, the reformatted statement of profit and loss and reformatted statement of cash flows for the year ended March 31, 2017 and the related significant accounting policies as examined by our Company's Statutory Auditor, B S R & Co. LLP, Mumbai</p> <p>The reformatted financial statements have been extracted by the management from the audited financial statements of the Company as at and for the year ended at March 31, 2017 prepared in accordance with the Accounting Standards notified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 as amended and other accounting principles generally accepted in India, which were approved by our Board on April 17, 2017</p>
Reformatted Financial Information under Ind AS	<p>Reformatted Financial Information comprising of the reformatted statements of assets and liabilities of the Company as at March 31, 2021, March 31, 2020, March 31, 2019 and March 31, 2018, the related reformatted statement of profit and loss (including other comprehensive income) for years ended March 31, 2021, March 31, 2020, March 31, 2019 and March 31, 2018 and reformatted statement of changes in equity and the reformatted cash flows for the years ended March 31, 2021, March 31, 2020, March 31, 2019 and March 31, 2018 and the related significant accounting policies as examined by our Company's Statutory Auditor, B S R & Co. LLP, Mumbai</p> <p>The reformatted financial statements for years ended March 31, 2019 and March 31, 2018 have been extracted by the management from the audited financial statements of the Company as at and for the years ended at March 31, 2019 and March 31, 2018 prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules 2015 as amended and other accounting principles generally accepted in India, which were approved by our Board on April 26, 2019</p> <p>The reformatted financial statements for year ended March 31, 2020 has been extracted by the management from the audited financial statements of the Company as at and for the year ended at March 31, 2020 prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules 2015 as amended and other accounting principles generally accepted in India, which were approved by our Board on May 11, 2020</p> <p>The reformatted financial statements for year ended March 31, 2021 has been extracted by the management from the audited financial statements of the Company as at and for the year ended at March 31, 2021 prepared in accordance with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules 2015 as amended and other accounting principles generally accepted in India, which were approved by our Board on May 13, 2021</p>
Registered Office	Registered office of our Company located at 4 th Floor, Piramal Tower, Peninsula Corporate Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400013
Registrar of Companies / RoC	The Registrar of companies, Maharashtra at Mumbai
Scheme of Amalgamation	Scheme of amalgamation entered into amongst PFL, PCL and our Company, as approved by the NCLT <i>vide</i> its order dated April 6, 2018, whereby PFL and PCL have amalgamated with our Company and all the assets and liabilities of PFL and PCL were transferred to our Company with effect from March 31, 2018. The certified true copy of the order sanctioning the scheme was filed with the RoC on May 23, 2018 by our Company.
Shareholders	Shareholders of our Company from time to time
Statutory Auditors	The auditors of our Company appointed in accordance with Companies Act, 2013, being B S R & Co. LLP., having their office at 14 th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai 400 063

Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of the Shelf Prospectus and this Tranche I Prospectus
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment / Allotted	Unless the context otherwise requires, the issue and allotment of the NCDs 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)	The successful applicant to whom the NCDs are Allotted, either in full or in part in terms of this Tranche I Issue
Applicant / Investor / ASBA Applicant	The 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, the Shelf Prospectus, this Tranche I Prospectus, and Abridged Prospectus and the Application Form for this Tranche I Issue
Application / ASBA Application	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to this Tranche I 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 Mechanism, where the Bid Amount or an Application Amount of up to ₹ 2,00,000 will be blocked upon acceptance of UPI Mandate Request by retail investors which will be considered as the application for Allotment in terms of the Shelf Prospectus and this Tranche I Prospectus
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for this Tranche I 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 INR 2,00,000
ASBA Applicant	Any Applicant who applies for NCDs through the ASBA process
ASBA / Application Supported by Blocked Amount	The Application in terms of which the Applicant shall make an Application by authorising SCSB to block the Application Amount in the specified bank account maintained with such SCSB or to block the Application Amount using the UPI Mechanism, where the Bid Amount will be blocked upon acceptance of UPI Mandate Request by retail investors for an Application Amount of upto Rs. 2,00,000 which will be considered as the application for Allotment in terms of this Tranche I Prospectus
Bankers to the Issue	Collectively Public Issue Account Bank(s), Refund Bank and Sponsor Bank
Base Issue Size	₹ 20,000 Lakhs
Basis of Allotment	The basis on which the NCDs will be allotted to the Applicant under this Tranche I Issue and as described under “ <i>Issue Procedure – Basis of Allotment</i> ” on page 71 of this Tranche I Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Consortium, Broker Centres for Registered Brokers, Designated RTA Locations for CRTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchange where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Registered Brokers are available on the website of the Stock Exchanges at www.bseindia.com and www.nseindia.com
Category I Investor	<ul style="list-style-type: none"> Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs Provident funds and pension funds with a minimum corpus of ₹ 2,500 lakh, superannuation funds and gratuity funds, which are authorised to invest in the NCDs

Term	Description
	<ul style="list-style-type: none"> • Alternative investment funds, subject to investment conditions applicable to them under the SEBI AIF Regulations • Resident Venture Capital Funds registered with SEBI • Insurance companies registered with the IRDAI • State industrial development corporations • Insurance funds set up and managed by the army, navy, or air force of the Union of India • Insurance funds set up and managed by the Department of Posts, the Union of India • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 50,000 lakh as per the last audited financial statements; • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India • Mutual funds registered with SEBI
Category II Investor	<ul style="list-style-type: none"> • Companies within the meaning of Section 2(20) of the Companies Act, 2013 • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs • Co-operative banks and regional rural banks • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs • Partnership firms in the name of the partners • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009) • Association of Persons • 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 of NCDs in this Tranche I Issue and shall include retail individual investors, who have submitted bid for an amount not more than ₹200,000 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 at the Designated CDP Locations in terms of the Debt Application Circular and UPI Mechanism 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
Committee of Directors (Administration, Authorization & Finance)	Committee appointed by our Board of Directors of our Company to decide the terms and conditions of the Tranche I Issue
Consortium Agreement	The consortium agreement dated June 29, 2021 between our Company and Members of the Consortium.
Consortium Members	A.K. Stockmart Private Limited, Trust Financial Consultancy Services Private Limited, Trust Securities Services Private Limited, Edelweiss Broking Limited and JM Financial Services Limited
Consortium / Members of the Consortium / Members of Syndicate (each individually, a Member of the Consortium)	The Lead Managers and the Consortium Members

Term	Description
Coupon Rate	Please see the section titled “ <i>Issue Structure</i> ” on page 44 of this Tranche I Prospectus
Credit Rating Agencies	For this Tranche I issue, the credit rating agencies being CARE and ICRA
Debenture Holder(s) / NCD Holder(s)	The holders of the Secured NCDs whose name appears in the database of the relevant Depository and/or the register of NCD Holders (if any) maintained by our Company if required under applicable law.
Debenture Trust Deed	The trust deed to be executed by our Company and the Debenture Trustee for creating the security over the NCDs issued under this Tranche I Issue
Debenture Trustee Agreement	Agreement dated March 30, 2021 entered into between our Company and the Debenture Trustee
Debt Application Circular	Circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI and circular no. SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020
Deemed Date of Allotment	The date on which our Board of Directors approves the Allotment of the NCDs for this Tranche I Issue, or such date as may be determined by the Board. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for this Tranche I Issue by way of this Tranche prospectus) shall be available to the Debenture holders from the deemed date of allotment
Demographic Details	The demographic details of an Applicant such as his address, bank account details, and UPI ID, category, PAN etc. for printing on refund or used for refunding through electronic mode as applicable.
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 Applicants and a list of which is available at http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html or https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmlId=34 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 websites of the Stock Exchange at www.bseindia.com and www.nseindia.com
Designated Date	The date on which Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the Public Issue Account(s) or to the Refund Account, as appropriate, in terms of the Shelf Prospectus and this Tranche I Prospectus and the Public Issue Account and Sponsor Bank Agreement.
Designated Intermediaries	The members of the Consortium, Sub-Consortium/agents, SCSBs, Registered Brokers, CDPs and CRTAs, who are authorized to collect Application Forms from the Applicants, in relation to this Tranche I 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 applicants submitted by Retail Individual Investors where the amount was 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 UPI Mechanism 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 ₹ 2,00,000) are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and updated from time to time
Designated Stock Exchange	BSE Limited
Direct Online Application Mechanism	An online interface enabling direct applications through UPI by an app based/web interface, by investors to a public issue of debt securities 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 March 30, 2021 filed on March 31, 2021 with the Designated Stock Exchange and National Stock Exchange of India Limited for receiving public comments and with SEBI in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations

Term	Description
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 ₹ 2,00,000 lakhs pursuant to the Shelf Prospectus and the relevant Tranche Prospectus. The NCDs will be issued in one or more tranches, on terms and conditions as set out in the relevant tranche prospectus for any tranche (each such tranche of issuance, a “ Tranche Issue ”).
Issue Agreement	Agreement dated March 25, 2021 entered into by our Company and the Lead Managers
Issue Closing Date	As specified in Tranche I Prospectus
Issue Document	The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus, the Abridged Prospectus, the Application Form and supplemental information, if any, read with any notices, corrigenda and addenda thereto
Lead Managers	A. K. Capital Services Limited, Edelweiss Financial Services Limited, JM Financial Limited 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 NCD
Mobile App(s)	The mobile applications listed on the website of Stock Exchanges as may be updated from time to time, which may be used by retail individual investors to submit Bids using the UPI Mechanism
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
NCDs / Debentures	Secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 2,00,000 lakhs offered through the Shelf Prospectus and this Tranche I Prospectus
Option(s)	Collectively the Series/Options of NCDs being offered to the Applicants, see “ <i>Issue Related Information</i> ” beginning on page 33 of this Tranche I Prospectus
Public Issue Account	Account(s) opened with the Banker(s) to the Issue to receive monies from the ASBA Accounts on the Designated Date as specified for this Tranche I Prospectus
Public Issue Account and Sponsor Bank Agreement	Agreement dated June 29, 2021 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 UPI Mechanism Circular and for collection of the Application Amounts from ASBA Accounts from the Applicants on the terms and conditions thereof and where applicable, refund of the amounts collected from the applicants
Public Issue Account Bank	Axis Bank Limited
Record Date	15 (fifteen) days prior to the relevant interest payment date, relevant 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 Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by our Company to the Stock Exchange, will be deemed as the Record Date Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016
Recovery Expense Fund	A fund which would be deposited by our Company with the Designated Stock Exchange for an amount equal to 0.01% of the issue size, subject to a maximum of deposit of ₹25,00,000 at the time of making the application for listing of NCDs.
Redemption Amount	Please see “ <i>General Terms of the Issue</i> ” on page 33 of this Tranche I Prospectus
Redemption Date	Please see “ <i>General Terms of the Issue</i> ” on page 33 of this Tranche I Prospectus
Refund Account(s)	The account(s) opened by our Company with the Refund Bank(s), from which refunds of the whole or part of the Application Amounts (excluding for the successful ASBA Applicants), if any, shall be made and as specified in this Tranche I Prospectus

Term	Description
Refund Bank	Axis Bank Limited.
Register of Debenture holder	A register of debenture holders maintained by our Company in accordance with the provisions of the Companies Act, 2013 and for further details see, “ <i>General Terms of the Issue</i> ” beginning on page 33 of this Tranche I Prospectus
Registrar Agreement	Agreement dated March 30, 2021 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 this Issue
Registered Brokers or 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	Link Intime India Private Limited
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 https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes for ASBA and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Security	The principal amount of the NCDs to be issued shall be secured by way of a first ranking pari passu charge by way of hypothecation over the standard movable assets of our Company (both present and future), including receivables and book debts arising out of (i) investments (not in the nature of equity investments or convertible instruments); (ii) lending; and (iii) current assets, loans and advances, save and except any receivables arising out of the investments made or loan extended by the Company to its affiliates. 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 <i>pari passu</i> without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment. For further details on date of creation of security/likely date of creation of security, minimum security cover etc., please refer to the “ <i>General Terms of the Issue – Security</i> ” beginning on page 33
Series	As specified in this Tranche I Prospectus
Shelf Limit	The aggregate limit of the Issue, being ₹ 2,00,000 lakhs to be issued pursuant to the Shelf Prospectus through one or more Tranche Issues.
Shelf Prospectus	The Shelf Prospectus dated June 30, 2021 that shall be filed by our Company with the SEBI, BSE, NSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations.
Stock Exchanges	NSE and BSE
Specified Locations	Centers where the member of the Consortium shall accept ASBA Forms from Applicants a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time, and at such other websites as may be prescribed by SEBI from time to time
Sponsor Bank	Axis Bank Limited
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 http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Tenor	Tenor shall mean the tenor of the NCDs as specified in this Tranche I Prospectus.
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 Stock Exchanges
Tranche I 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 ₹ 2,00,000 lakhs pursuant to the Shelf Prospectus and this Tranche I Prospectus. The base issue size of this Tranche I Issue is ₹ 20,000 lakhs with an option to retain oversubscription up to ₹ 80,000 lakhs which aggregating up to 1,00,00,000 NCDs and amounting to ₹ 1,00,000 lakhs is within the Shelf Limit.
Tranche I Issue Closing Date	Friday, July 23, 2021

Term	Description
Tranche I Issue Opening Date	Monday, July 12, 2021
Tranche I Issue Period	The period between the Tranche I Issue Opening Date and the Tranche I Issue Closing Date inclusive of both days, during which prospective Applicants may submit their Application Forms.
Tranche I Prospectus	The Tranche I Prospectus dated June 30,, 2021 containing <i>inter alia</i> , the details of NCDs including interest and other terms and conditions issued pursuant to the Tranche I Issue.
Tranche Prospectus(es)	The relevant Tranche Prospectus for each Tranche Issue containing, <i>inter alia</i> , the details of NCDs including interest and other terms and conditions in respect of the relevant Tranche Issue.
Transaction Documents	Transaction documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus read with any notices, corrigenda, addenda thereto, 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 to be executed between our Company and the Debenture Trustee. For further details see, " <i>Material Contracts and Documents for Inspection</i> " on page 100 of this Tranche I Prospectus.
Tripartite Agreements	Tripartite Agreement dated October 9, 2017 entered into between our Company, the Registrar to the Issue and NSDL and Tripartite Agreement dated March 22, 2021 entered into between our Company, the Registrar to the Issue and CDSL for offering dematerialized option to the NCD Holders.
Trustees / Debenture Trustee	Trustees for the Debenture Holders in this case being, IDBI Trusteeship Services Limited appointed by our Board of Directors
UPI / UPI Mechanism	Unified payments interface mechanism in accordance with SEBI Circular no. SEBI/HO/DDHS/CIR/P/2020/233 dated November 23, 2020 as amended from time to time, to block funds for application value up to ₹ 2,00,000 submitted through intermediaries, namely the Registered Stock brokers, Registrar and Transfer Agent and Depository Participants
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India
UPI Mandate Request / Mandate Request	A request initiated by the Sponsor Bank on the retail individual investor to authorise blocking of funds in the relevant ASBA Account through the UPI mobile app/web interface (using UPI Mechanism) equivalent to the bid amount and subsequent debit of funds in case of allotment
UPI Mechanism Circular	Circular issued by SEBI on November 23, 2020 titled "Introduction of Unified Payments Interface (UPI) mechanism and Application through Online interface and Streamlining the process of Public issues of securities under - SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013, SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 and SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015" bearing reference number SEBI/HO/DDHC/CIR/P/2020/233 as amended from time to time
Wilful Defaulter	A Person or a company categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI / NHB and includes a company whose director or promoter is categorized as a wilful defaulter
Working Day	All days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Tranche I Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from the Tranche I Issue Closing Date to listing of the NCDs on the Stock Exchange, Working Day shall mean all trading days of the Stock Exchange, excluding Sundays and bank holidays in Mumbai, as per the SEBI Circular bearing no. CIR/DDHS/P/121/2018 dated August 16, 2018, however, with reference to payment of interest/redemption amount of NCDs, Working Days shall mean those days wherein the money market is functioning in Mumbai

Industry related terms

Term	Description
CRAR	Capital to risk adjusted ratio
ECS	Electronic clearance service
EMI	Equated monthly instalment

Term	Description
Gross NPA	Outstanding loans including future principal and overdue charges and excluding unrealised interest accrued and due under NPA accounts
HFC	Housing finance company
IBPC	Inter-bank participation certificate
ICAI	Institute of Chartered Accountants of India
KYC	Know your customer
LAP	Loan against property
LTV	Loan to value ratio
Net NPA	Gross non-performing asset net off provision held for non-performing asset accounts
NPA	An asset, in respect of which, interest or principal has remained overdue for a period of more than 90 days and those assets which are restructured as per relevant regulation are classified as stage 3 herein defined as non performing asset (NPA)
NRI/Non-Resident	A person resident outside India, as defined under the FEMA
RRB	Regional rural bank
SCB	Scheduled commercial banks
Total Loan Book	Total loan book comprises of investments in non-convertible debentures, optionally convertible debentures, inter-corporate deposits and term loans

Conventional and general terms

Term	Description
₹/ Rs. / INR/ Rupees	The lawful currency of the Republic of India
AGM	Annual general meeting
AS	Accounting standard
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
CARE	CARE Ratings Limited
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, 2019
CRISIL Report	CRISIL Research – NBFC Report 2020 released in Mumbai in December 2020
CrPc	Code of Criminal Procedure, 1973
COVID-19	Pandemic caused due to the worldwide spread of the novel coronavirus disease
COO	Chief Operating Officer
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996
DHFL	Dewan Housing Finance Corporation Limited
DRR	Debenture redemption reserve
DT Circular	Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 issued by SEBI on November 3, 2020, as amended from time to time
EGM	Extraordinary general meeting
EPS	Earnings per share
FEMA	Foreign Exchange Management Act, 1999

Term	Description
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
ICRA	ICRA Limited
IFRS	International financial reporting standards
IFSC	Indian financial system code
Ind AS	Indian Accounting Standards
Indian GAAP	Generally accepted accounting principles in India
IRDAI	Insurance Regulatory and Development Authority of India
ISIN	International securities identification number
IST	Indian standard time
IT Act	Income Tax Act, 1961
ITAT	Income Tax Appellate Tribunal
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
NHB	National Housing Bank
NHB Act	National Housing Bank Act, 1987
NHB Directions	Housing Finance Companies (NHB) Directions, 2010, as updated
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent account number
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934
Reserve Bank HFC Directions	Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, 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
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI Debenture Trustee Regulations	Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

Term	Description
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
TDS	Tax deducted at source
UK	United Kingdom

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 our strategies, objectives, plans or goals are also forward-looking statements.

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

- Extent of impact of COVID-19 on our business;
- Default and non-payment by borrowers and other counterparties;
- Legal proceedings involving our Company, our Promoter, some of our Directors and our Group Companies;
- Impact of COVID-19 on infrastructure companies due to subdued demand and elongated receivables;
- Inability to maintain our growth;
- Increase in the levels of NPAs in our loan portfolio;
- Difficulty in geographically expanding our business into new regions and markets;
- Inability to successfully integrate DHFL, a recently acquired business or to realize the anticipated benefits of such acquisition;
- Customers opting for balance transfer to other banks and difficulty in refinancing existing housing loans by our customers;
- Risk of inability to raise capital when necessary in order to maintain such capital adequacy ratio; and
- Future regulatory changes.

For further discussion of factors that could cause our actual results to differ, see “Risk Factors” on page 17 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 “Legal and Other Information” on pages 79, 108 and 225 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, our Directors and officers, nor any of our respective affiliates or the Lead Managers have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI Debt Regulations, 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 being obtained from the Stock Exchanges through public notices/advertisements in all those newspapers in which Pre-Issue Advertisement and advertisements for opening or closure of the Tranche I Issue will be published.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF 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 Capital & Housing Finance Limited.

In this Tranche I Prospectus, references to "Rupees", "₹", "Rs.", "INR" are to the legal currency of India and references to "USD", "US\$" is 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.

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 "lakhs". One lakh represents 100,000 and one billion represents 1,000,000,000.

Unless otherwise stated, references in this Tranche I Prospectus to a particular year are to the calendar year ended on December 31 .

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

Presentation of Financial Information

The current financial year of our Company commences on April 1 and ends on March 31 of the next year, so all references to particular "financial year", "fiscal year" and "fiscal" or "FY", unless stated otherwise, are to the 12 months period ended on March 31 of that year. However, for the Financial year ended March 2017, the financial year shall be considered as the period commencing from the date of incorporation of the Company and ending on March 31, 2017.

In accordance with the notification issued by the Ministry of Corporate Affairs, our Company has adopted Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015. Our Company has adopted Ind AS from April 1, 2018 with effective transition date as April 1, 2017. Our Company publishes its financial statements in Rupees, in lakh.

The reformatted financial information as at and for Fiscal ended 2017 have been prepared in accordance with Indian GAAP, applicable standards and guidance notes specified by the ICAI, applicable accounting standards prescribed by the ICAI, Companies Act, as applicable and other applicable statutory and/or regulatory requirements, the reformatted financial information as at and for Fiscal ended 2018, 2019, 2020 and 2021 have been prepared in accordance with Ind AS, applicable accounting standards and guidance notes specified by the ICAI, Companies Act, as applicable and other applicable statutory and/or regulatory requirements.

The Financial Statements are included in the Shelf Prospectus. The examination reports on the Financial Statements, as issued by our Statutory Auditors, are included in the Shelf Prospectus in "Financial Information", beginning on page 276 of the Shelf Prospectus.

Industry and Market Data

There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Unless stated otherwise, all industry and market data cited throughout the Shelf Prospectus and this Tranche I Prospectus has been obtained from industry publications and certain public sources and accordingly, all financial data forming part of the industry and market data cited throughout the Shelf Prospectus and this Tranche I Prospectus, is based on such industry publications and certain public sources and represented in Rupees, in lakhs, in million, billions and trillions, as applicable. Further, information has also been derived from report dated December, 2020, titled CRISIL Research – NBFC Report 2020 released in Mumbai in December 2020 issued by CRISIL Limited, which has been commissioned by our Company. For risk in relation to commissioned reports, see "Risk Factors – We have referred to the data derived from industry reports commissioned from CRISIL Limited" on page 37 of the Shelf Prospectus.

Industry publications generally state that the information contained in those publications have been obtained from sources believed to be reliable, but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Although our Company believes that the industry and market data used in the Shelf Prospectus and this Tranche I prospectus is reliable, it has not been verified by us or any independent sources. Further, the extent to which the market and industry data presented in the Shelf Prospectus and this Tranche I Prospectus is meaningful depends on the readers' familiarity with and understanding of methodologies used in compiling such data. Such data involves risks, uncertainties and numerous assumptions

and is subject to change based on various factors, including those discussed in “*Risk Factors*” beginning on page 17 of the Shelf Prospectus. Accordingly, investment decisions should not be based solely on such information.

Exchange Rates

The exchange rates (in ₹) of USD are provided below:

Currency	March 31, 2021	March 31, 2020	March 31, 2019*	March 31, 2018**	March 31, 2017
USD	73.50	75.39	69.17	65.04	64.84

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

* Exchange rate as on March 29, 2019, as RBI Reference Rate is not available for March 30, 2019 being Saturday and March 31, 2019 being a Sunday.

** Exchange rate as on March 28, 2018, as RBI Reference Rate is not available for March 29, 2018 and March 30, 2018 being public holidays and March 31, 2018 being a Saturday.

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

SECTION II: INTRODUCTION

GENERAL INFORMATION

Our Company was originally incorporated as Piramal Housing Finance Private Limited at Mumbai, Maharashtra, as a private limited company on February 10, 2017 under the Companies Act, 2013, and was granted the certificate of incorporation dated February 13, 2017 by the Registrar of Companies, Central Registration Centre. Subsequently, upon conversion from a private limited company to a public limited company with effect from September 28, 2017, the name of our Company was changed to Piramal Housing Finance Limited and a fresh certificate of incorporation dated October 17, 2017 was granted by the RoC. Subsequently, pursuant to the Scheme of Amalgamation, the name of our Company was changed to Piramal Capital & Housing Finance Limited, and a fresh certificate of incorporation dated June 12, 2018 pursuant to change of name was granted by the RoC. For further details, regarding changes to our Registered and Corporate Office, see “*History and Main Objects*” on page 127 of the Shelf Prospectus. For further details regarding the business of our Company, see “*Our Business*” on page 108 of the Shelf Prospectus.

Registration

Corporate identity number U65999MH2017PLC291071.
Registration Number: 291071

Our Company has obtained a certificate of registration dated December 1, 2017, bearing registration number 12.0163.17 from NHB to carry on the business of a housing finance institution without accepting public deposits in accordance with Section 29A of NHB Act. Our Company obtained a fresh certificate of registration dated February 12, 2020 bearing registration number DOR-00163 from RBI to carry on the business of a housing finance institution without accepting public deposits

Registered and Corporate Office

Piramal Capital & Housing Finance Limited

4th Floor, Piramal Tower,
Peninsula Corporate Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400 013
Tel: (91 22) 6230 9200
Fax: (91 22) 6151 3444
Website: www.pchf.in

Chief Financial Officer

Sachin Deodhar
4th Floor, Piramal Tower,
Peninsula Corporate Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400013
Tel: (91 22) 6151 3404
Fax: (91 22) 6151 3444

Company Secretary and Compliance Officer

Bipin Singh
4th Floor, Piramal Tower,
Peninsula Corporate Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai 400013
Tel: (91 22) 3046 5903
Fax: (91 22) 6151 3444
Email: investorrelations.pchfl@piramal.com

Lead Managers

A. K. Capital Services Limited

30-38, Free Press House
3rd Floor, Free Press Journal Marg
215, Nariman Point
Mumbai 400 021
Tel: (91 22) 6754 6500
Fax: (91 22) 6610 0594
Email: pchfl2020@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Aanchal Wagle/ Yogesh Paste
Compliance Officer: Tejas Devda
SEBI registration no.: INM000010411
CIN: L74899MH1993PLC274881

Edelweiss Financial Services Limited

Edelweiss House, Off. C.S.T. Road,
Kalina, Mumbai 400 098
Tel : (91 22) 4086 3535
Fax : (91 22) 4086 3610
E-mail : Pchfl.Ncd@edelweissfin.com
Investor Grievance Email: customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person : Lokesh Singhi / Saili Dave
Compliance Officer: Ms. Bhavana Kapadia
SEBI registration no.: INM0000010650
CIN : L99999MH1995PLC094641

JM Financial Limited

7th Floor, Cnergy
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Tel : (91 22) 6630 3030
Fax : (91 22) 6630 3330
E-mail : pchfl.bondissue2021@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

Trust Investment Advisors Private Limited

109/110, Balarama, Bandra Kurla Complex,
Bandra (E), Mumbai 400 051
Tel : (91 22) 4084 5000
Fax : (91 22) 4084 5066
E-mail : projectarjuna@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**

30-39, Free Press House
3rd Floor, Free Press Journal Marg
215, Nariman Point, Mumbai- 400 021
Tel: (91 22) 6754 6500
Fax: (91 22) 6754 4666
Email:ashit.raja@akgroup.co.in; ranjit.dutta@akgroup.co.in
Website: NA

Contact Person: Mr. Ashit Raja; Mr. Ranjit Dutta
Compliance Officer: Mr. Ashit Raja
SEBI Registration Number: INZ000240830
CIN: U67120MH2006PTC158932

Edelweiss Broking Limited

Edelweiss House,
Off. C.S.T Road,
Kalina, Mumbai –400 098
Tel: (91 22) 4009 4400
Fax: NA
Email: amit.dalvi@edelweissfin.com; prakash.boricha@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Amit Dalvi/Prakash Boricha
Compliance Officer: Pranav Tanna
SEBI Registration Number: INZ000005231
CIN: U65100GJ2008PLC077462

JM Financial Services Limited

2,3 & 4 Kamanwala Chambers Ground Floor, Sir PM Road
Fort, Mumbai-400001
Tel: (91 22) 6136 3400
Fax: NA
Email: surajit.misra@jmfl.com; deepak.vaidya@jmfl.com;
sona.verghese@jmfl.com; tn.kumar@jmfl.com
Website: www.jmfinancialservices.in
Contact Person: Mr. Suraji Misra; Mr. Deepak Vaidya;
Mr. T N Kumar; Mr. Sona Verghese
Compliance Officer: Manishkumar Sabu
SEBI Registration Number: INZ000195834
CIN: U67120MH1998PLC115415

Trust Financial Consultancy Services Private Limited

1101, Naman Centre, 'G' Block, C-31,
Bandra Kurla Complex, Bandra (East)
Mumbai-400051
Tel: (91 22) 4084 5000
Fax: (91 22) 4084 5066
Email: pranav.inamdar@trustgroup.in; projectarjuna@trustgroup.in
Website: www.trustgroup.in
Contact Person: Mr. Pranav Inamdar
Compliance Officer: Mr. Rajesh Nag
SEBI Registration Number: INZ000238639
CIN: U67120MH2002PTC135942

Trust Securities Services Private Limited

1202, Naman Centre, 'G' Block, C-31, Bandra Kurla Complex, Bandra (East)
Mumbai-400051
Tel: (91 22) 2656 7536
Fax: (91 22) 2656 6598
Email: parth.maniar@trustgroup.in; projectarjuna@trustgroup.in
Website: www.trustgroup.in
Contact Person: Mr. Parth Maniar
Compliance Officer: Mr. Sanyog Murdia
SEBI Registration Number: INZ000158031
CIN: U65929MH2016PTC287266

Debenture Trustee

IDBI Trusteeship Services Limited

Asian Building, Ground Floor
17, R. Kamani Marg, Ballard Estate
Mumbai 400 001

Tel: (91 22) 4080 7000
Fax: (91 22) 6631 1776
E-mail: response@idbitrustee.com
Investor grievance email: response@idbitrustee.com
Website: www.idbitrustee.com
Contact person: Nikhil Lohana / Gaurav Jeswani
Compliance officer: Jatin Bhat
SEBI registration no.: IND000000460

IDBI Trusteeship Services Limited has, pursuant to Regulation 4(4) of SEBI Debt Regulations, by its letter dated March 19, 2021 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. A copy of letter from IDBI Trusteeship Services Limited conveying their consent to act as Trustees for the Debenture holders is annexed as **Annexure B** to 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 Debenture 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 Debenture 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 Debenture Holders. For details on the terms of the Debenture Trust Deed see, "*Issue Related Information*" beginning on page 33 of this Tranche I Prospectus.

Registrar to the Issue

Link Intime India Private Limited

Address: C-101, 247 Park, LBS Marg
Vikhroli (West), Mumbai 400 083
Maharashtra, India
Tel: (91 22) 4918 6200
Fax: (91 22) 4918 6195
Email: piramal.ncd@linkintime.co.in
Investor grievance email: piramal.ncd@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Shanti Gopalkrishnan
Compliance officer: Mr. B.N. Ramkrishnan
SEBI registration no.: INR000004058

Link Intime India Private Limited has by its letter dated March 22, 2021 given its consent for its appointment as Registrar to the Issue and for its name to be included in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

Applicants or prospective investors may contact the Registrar to the Issue or our Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, demat credit, transfers, etc.

All grievances relating to the Tranche I Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, Permanent Account Number, number of NCDs applied for, amount paid on application, Depository Participant name and client identification number, and the collection centre of the Members of the Consortium where the Application was submitted and ASBA Account number (for Bidders other than retail individual investors bidding through the UPI Mechanism) in which the amount equivalent to the Bid Amount was blocked or UPI ID in case of retail individual investors bidding through the UPI mechanism. Further, the Bidder shall enclose the Acknowledgement Slip or provide the acknowledgement number received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

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

All grievances related to the UPI process may be addressed to the Stock Exchange, 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 mechanism of the Stock Exchanges or through Trading Members may be addressed directly to the respective Stock Exchanges.

Statutory Auditors

B S R & Co. LLP.

14th Floor, Central B Wing and North C Wing
Nesco IT Park 4, Nesco Center
Western Express Highway, Goregaon (East)
Mumbai 400 063
Tel: (91 22) 6257 1000
Email: vv@bsraffiliates.com
Firm's Registration No.: 101248W/W-100022

Credit Rating Agency

CARE Ratings Limited

4th Floor, Godrej Colesium
Somaiya Hospital Road
Off Eastern Express Highway
Sion (E), Mumbai 400 022
Tel: (91 22) 6754 3456
Fax: (91 22) 6754 3457
Email: aditya.acharekar@careratings.com
Website: www.careratings.com
Contact Person: Mr. Aditya Acharekar
SEBI Registration No.: IN/CRA/004/1999

ICRA Limited

3rd Floor, Electric Mansion,
Appasaheb Marathe Marg, Prabhadevi
Mumbai 400 025
Tel: (91 22) 6114 3406
Fax: NA
Email: shivakumar@icraindia.com
Contact Person: Mr. L Shivakumar
Website: www.icra.in
SEBI Registration Number: IN/CRA/008/2015

Credit Rating and Rationale

The NCDs proposed to be issued pursuant to this Tranche I Issue have been rated CARE AA (CWD) (Double A) (Under Credit Watch with Developing Implications) by CARE Ratings Limited for an amount of up to ₹ 2,00,000 lakhs by way of its letter bearing reference number CARE/HO/RL/2020-21/4772 and dated March 24, 2021 further revalidated by way of its letter dated June 23, 2021 bearing reference number CARE/HO/RL/2021-22/1582 and [ICRA] AA (pronounced as ICRA double A) (Outlook: Negative) by ICRA Limited for an amount of up to ₹ 2,00,000 lakhs by way of its letter bearing reference number MUM/20-21/3582 and dated March 23, 2021 further revalidated by way of its letter dated June 24, 2021 bearing reference number ICRA/Piramal Capital & Housing Finance Limited/24062021/02. 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. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. For details regarding rating letters and rationale for the aforementioned rating, see "Annexure A1" and "Annexure A2", beginning on page 103 and 104 respectively.

Disclaimer clause of rating agencies

CARE Ratings Limited

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are

rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating.

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

ICRA Limited

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

Legal Counsel to the Issue

Cyril Amarchand Mangaldas

3rd Floor, Prestige Falcon Towers
19, Brunton Road,
Bengaluru 560 025, Karnataka, India
Tel: (91 80) 6792 2000

Banker(s) to our Company

IndusInd Bank Limited

1001/1002, Solitaire Corporate Park
167 Guru Hargovindji Marg
Andheri I, Mumbai 400 093
Contact Person: Indrajoy Bhattacharya
Tel: (91) 98338 21671
Fax: (91 22) 6641 2224
Email: indrajoy.bhattacharya@indusind.com
Website: www.indusind.com

Bankers to the Issue

Public Issue Account Bank, Sponsor Bank and Refund Bank

Axis Bank Limited

Address: Bengal Chemical Bhavan,
Veer Savarkar Marg, Ground Floor,
Prabhadevi- 400025
Email: worli.operationshead@axisbank.com; worli.branchhead@axisbank.com
Tel: 022-61586978
Fax: N.A.
Website: www.axisbank.com
Contact Person: Worli Branch Head, Worli Operations Head
CIN: L65110GJ1993PLC020769
SEBI Registration Number: INB100000017

Recovery Expense Fund

Our Company undertakes to deposit an amount in recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, as amended, and inform the Debenture Trustee regarding 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.

Underwriting

This Tranche I Issue will not be underwritten.

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.”

Minimum subscription

In terms of the SEBI Debt Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue (i.e. Rs. 15,000 lakhs) . If our Company does not receive the minimum subscription of 75% of the Base Issue (i.e. Rs. 15,000 lakhs), prior to the Tranche I Issue Closing Date, the entire subscription amount shall be unblocked in the ASBA Accounts of the Applicants within six Working Days from the Tranche I Issue Closing Date. In the event the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Account(s) of the Applicants within six 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. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar to the Issue does not have the necessary information for making such refunds, our Company and/or Registrar to the Issue will follow the guidelines prescribed by SEBI in this regard including the Debt Application Circular and the circular regarding Strengthening the Guidelines and Raising Industry Standard for RTA, Issuer Companies and Banker to an Issue bearing no. HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018.

For further information, please see “*Issue Procedure*” on page 52.

Tranche I Issue Programme

TRANCHE I ISSUE PROGRAMME*	
TRANCHE I ISSUE OPENS ON	TRANCHE ISSUE CLOSES ON
Monday, July 12, 2021	Friday, July 23, 2021

Arrangers to the Issue

There are no arrangers to the 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 <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and <https://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.

Syndicate SCSB Branches

In relation to bids submitted under the ASBA process to a Member of the Consortium, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of the ASBA Forms and Application Forms where investors have opted for payment via the UPI Mechanism, from the Members of the Consortium is available on the website of SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Consortium at Specified Locations, see the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>.

Registered Brokers / RTAs / CDPs

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL /11/2015 dated November 10, 2015 and the ASBA Circular, applicants can submit ASBA Forms in the Offer using the stock broker network of the Stock Exchanges, *i.e.*, through 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.

The list of the Registered Brokers, RTAs and CDPs, eligible to accept Applications in the Tranche I Issue, including details such as postal address, telephone number and email address, are provided on the websites of the BSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 for Registered Brokers and <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> for RTAs and CDPs, as updated from time to time.

In relation to Applications submitted to the Registered Brokers at the Broker Centres, 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 and updated from time to time.

For further details, see “*Issue Procedure*” on page 53 of this Tranche I Prospectus.

Utilisation of Issue proceeds

For details on utilisation of Tranche I Issue proceeds, see “*Objects of the Issue*” on page 29 of this Tranche I Prospectus.

Tranche I Issue Programme

TRANCHE I ISSUE OPENS ON	Monday, July 12, 2021
TRANCHE I ISSUE CLOSES ON	Friday, July 23, 2021

This Tranche I Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that this Tranche I Issue may close on such earlier date or extended date as may be decided by our Board of Directors or duly authorized committee thereof. In the event of such an early closure of or extension the Tranche I Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of this Tranche I Issue has been published on or before such earlier date or extended date of closure.

Applications 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, during the Tranche I Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (a) directly by the Designated Branches of the SCSBs or (b) by the centres of the Consortium, or other Designated Intermediaries as the case maybe, only at the selected cities. On the Tranche I Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. and 3:00 p.m. and uploaded until 5:00 p.m. 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. on one Working Day post the Tranche I Issue Closing Date.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchanges 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. on the Tranche I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Tranche I Issue. Application Forms will only be accepted on Working Days during the Tranche I Issue Period. Neither our Company, nor the Members of the Consortium are liable for any failure in uploading the Applications due to failure in any

software/ hardware systems or otherwise. In this regard, as per the SEBI circular CIR/IMD/DF/18/2013 dated October 29, 2013, the allotment in this Tranche I Issue would be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, in the event of oversubscription, on such date, the allotments would be made to the applicants on proportionate basis.

THE ISSUE

The following is a summary of the Tranche I Issue. This summary should be read in conjunction with, and is qualified in its entirety by, for further details regarding the Tranche I Issue, see “*General Terms of the Issue*” beginning on page 33.

The NCDs being offered as part of the Tranche I Issue are subject to the provisions of the SEBI Debt Regulations, the Debt Listing Agreement, and the Companies Act, 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 GoI, and other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

Common terms of NCDs

Particulars	Details
Issuer	Piramal Capital & Housing Finance Limited.
Lead Managers	A. K. Capital Services Limited, Edelweiss Financial Services Limited, JM Financial Limited and Trust Investment Advisors Private Limited.
Debenture Trustee	IDBI Trusteeship Services Limited.
Registrar to the Issue	Link Intime India Private Limited
Type and nature of instrument	Secured, redeemable, listed non-convertible debentures of face value of ₹ 1,000 each.
Seniority	Senior (to clarify, the claims of the NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements).
Base Issue	₹ 20,000 lakhs
Option to retain Oversubscription Amount	₹ 80,000 lakhs
Tranche I Issue Size	₹ 1,00,000 lakhs
Face Value (in ₹ / NCD)	1,000 each
Issue Price (in ₹ / NCD)	1,000
Minimum application and in multiples of NCDs thereafter	₹10,000 (10 NCDs) across all series collectively and in multiples of ₹ 1000 (1 NCDs) thereafter.
Mode of Issue	Public Issue
Tranche I 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 ₹ 2,00,000 lakhs pursuant to the Shelf Prospectus and this Tranche I Prospectus. The base issue size of this Tranche I Issue is ₹ 20,000 lakhs with an option to retain oversubscription up to ₹ 80,000 lakhs which aggregating up to 1,00,00,000 NCDs and amounting to ₹ 1,00,000 lakhs which is within the Shelf Limit (“ Tranche I Issue ”). This Tranche I Issue is being made pursuant to the terms and conditions of this tranche I prospectus (“ Tranche I Prospectus ”) which should be read together with the shelf prospectus dated June 30., 2021 (“ Shelf Prospectus ”) filed with Registrar of Companies, Maharashtra at Mumbai (“ RoC ”), the Stock Exchanges and the Securities and Exchange Board of India under the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended (the “ SEBI Debt Regulations ”), the Companies Act, 2013 and rules made thereunder, each as amended, and to the extent notified (the “ Companies Act, 2013 ”). The Shelf Prospectus and this Tranche I Prospectus constitute the prospectus (“ Prospectus ”).
Listing	The NCDs are proposed to be listed on BSE and NSE. BSE shall be the Designated Stock Exchange for this Tranche I Issue The NCDs shall be listed within six Working Days from the Tranche I Issue Closing Date.
Mode of Allotment and Trading	Compulsorily in dematerialised form.
Mode of settlement	For further details see “ <i>Issue Structure</i> ” beginning on page 44.
Market / Trading Lot	One NCD.
Depositories	NSDL and CDSL.
Security	The principal amount of the NCDs , plus the interest thereon and all secured obligations to be issued shall be secured by way of a first ranking pari passu charge by way of hypothecation over the standard movable assets of our Company (both present and future), including receivables and book debts arising out of (i) investments (not in the nature of equity investments or convertible instruments); (ii) lending; and (iii) current assets, loans and advances, save and except any receivables arising out of the investments made or loan extended by the Company to its affiliates, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover of minimum 100% of the outstanding amounts of the NCDs and interest thereon is

Particulars	Details				
	maintained at all time until the Maturity Date more particularly as detailed “ <i>General Terms of the Issue</i> ” beginning on page 33.				
Who can apply/ Eligible Investors	Please see “ <i>Issue Procedure</i> ” beginning on page 52 of this Tranche I Prospectus.				
Credit Rating	Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated (in INR lakhs)
	CARE Ratings Limited	Non-Convertible Debentures	CARE AA (CWD) (Double A) (Under Credit Watch with Developing Implications)	March 24, 2021 revalidated by way of its letter dated June 23, 2021.	2,00,000
	ICRA Limited	Non-Convertible Debentures	[ICRA] AA with outlook (Negative)	March 23, 2021 and revalidated by way of its letter dated June 24, 2021.	2,00,000
	See Annexure A1, Annexure A2, for rating letter and rationale for the above ratings. For further details regarding the disclaimer clause of the Credit Rating Agencies, see “ <i>General Information</i> ” beginning on page 15 of this Tranche I Prospectus.				
Pay-in Date	Application Date. The entire Application Amount is payable on Application				
Application money	The entire application amount is payable on submitting the application.				
Record Date	<p>The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be.</p> <p>In case Record Date falls on a Sunday or a non-Working Day, the immediate subsequent Working day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date.</p>				
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	As agreed in the Debenture Trust Deed, executed/to be executed in accordance with applicable law				
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, minimum security cover, revaluation, replacement of security, interest of the debenture holder over and above the coupon rate	<p>The principal amount of the NCDs, plus the interest thereon and all secured obligations to be issued shall be secured by way of a first ranking pari passu charge by way of hypothecation over the standard movable assets of our Company (both present and future), including receivables and book debts arising out of (i) investments (not in the nature of equity investments or convertible instruments); (ii) lending; and (iii) current assets, loans and advances, save and except any receivables arising out of the investments made or loan extended by the Company to its affiliates. 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 <i>pari passu</i> without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment. For further details on date of creation of security/likely date of creation of security, minimum security cover etc, please refer to the “<i>General Terms of the Issue – Security</i>” beginning on page 33 of the Tranche I Prospectus.</p> <p>We have received necessary consents from the relevant debenture trustees and security trustees for ceding pari passu charge in favour of the Debenture Trustee in relation to the NCDs.</p> <p>Company shall pay interest of at least 2% per annum to the NCD Holders, over and above the coupon rate mentioned in the relevant Tranche Prospectus, if the Company fails to execute the Debenture Trust Deed within the period specified in Regulation 15(1) of the SEBI Debt Regulations or such other time frame as may be stipulated from time to time.</p>				

Particulars	Details
	The security shall be created prior to the listing of the NCDs. The revaluation and replacement of the security shall be in accordance with the Debenture Trust Deed.
Tranche I Issue Schedule	This Tranche I Issue shall be open from Monday, July 12, 2021 to Friday, July 23, 2021 with an option to close earlier and/or extend up to a period as may be determined by the Committee of Directors
Objects of the Issue	For further details, see " <i>Objects of the Issue</i> " on page 29 of this Tranche I Prospectus.
Details of the utilisation of Issue proceeds	For further details, see " <i>Objects of the Issue</i> " on page 29 of this Tranche I Prospectus.
Coupon rate, coupon payment date and redemption premium/discount	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 44 of this Tranche I Prospectus.
Step up/ Step down interest rates	Not applicable
Interest type	See " <i>General Terms of the Issue</i> " on page 33 of this Tranche I Prospectus.
Interest reset process	See " <i>General Terms of the Issue</i> " on page 33 of this Tranche I Prospectus.
Tenor	See " <i>General Terms of the Issue</i> " on page 33 of this Tranche I Prospectus.
Coupon payment frequency	See " <i>General Terms of the Issue</i> " on page 33 of this Tranche I Prospectus.
Discount at which security, if any is issued and the effective yield as a result of such discount.	Not applicable
Redemption date	See " <i>General Terms of the Issue</i> " on page 33 of this Tranche I Prospectus.
Redemption Amount	See " <i>General Terms of the Issue</i> " on page 33 of this Tranche I Prospectus
Day count convention	Actual/Actual.
Working Days convention/Day count convention / Effect of holidays on payment	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Tranche I Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post Tranche I issue period, i.e. period beginning from Tranche I Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchanges excluding Sundays and bank holidays in Mumbai. Interest shall be computed on a 365 days-a-year basis on the principal outstanding on the NCDs. However, if period from the Deemed Date of Allotment / anniversary date of Allotment till one day prior to the next anniversary /redemption date includes February 29, interest shall be computed on 366 days a-year basis, on the principal outstanding on the NCDs. If the date of payment of interest specified does not fall on a Working Day, then the succeeding Working Day will be considered as the effective date for such payment of interest, as the case may be (the " Effective Date "), 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, 1961 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) falls on a holiday, the interest/redemption payments shall be made only on the preceding Working Day, along with interest accrued on the NCDs until such date, however, excluding the date of such payment.
Tranche I Issue Opening Date	Monday, July 12, 2021
Tranche I Issue Closing Date	Friday, July 23, 2021
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, listing, dematerialized credit, refunds, 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.
Put/Call	Not applicable.
Call Notification Time / Put Notification Time	Not applicable.
Deemed Date of Allotment	The date on which our Board of Directors or duly authorized committee of the Board of Directors approves the Allotment of the NCDs for each Tranche Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the debenture holders from the Deemed Date of Allotment.

Particulars	Details
Transaction documents	Transaction documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche 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 to be executed between our Company and the Debenture Trustee. For further details see, " <i>Material Contracts and Documents for Inspection</i> " on page 100 of the Tranche I Prospectus.
Conditions precedent and subsequent to the Issue	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI Debt Regulations, there are no conditions precedent to disbursement and conditions subsequent.
Event of default	See " <i>General Terms of the Issue – Events of Default</i> " beginning on page 33 of this Tranche I Prospectus
Creation of recovery expense fund	Our Company undertakes to deposit an amount in recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, as amended, and inform the Debenture Trustee regarding 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.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	<p>Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy (in which case no notice shall be required), it shall constitute an event of default.</p> <p>The Debenture Trustee may, at any time, waive, on such terms and conditions as to it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof.</p> <p>Please refer to the section titled "<i>General Terms of the Issue -Events of default</i>" beginning on page 33 of this Tranche I Prospectus.</p>
Cross Default	As per the Debenture Trust Deed executed / to be executed in accordance with applicable law
Roles and responsibilities of the Debenture Trustee	For further details, see " <i>General Terms of the Issue - Trustees for the NCD holders</i> " beginning on page 35 of this Tranche I Prospectus.
Risk factors pertaining to the Issue	For further details, see " <i>Risk Factors</i> " beginning on page 17 of the Shelf Prospectus.
Governing law and jurisdiction	This Tranche I Issue shall be governed in accordance with the laws of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai.

**The Tranche I Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., except that the Tranche I Issue may close on such earlier date or extended date as may be decided by our Board of Directors or duly authorized committee of the Board of Directors. In the event of such an early closure of or extension of the Tranche I Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Tranche I Issue have been published on or before such earlier date or extended date of closure. Applications Forms for the Issue will be accepted only from 10:00 a.m. till 5:00 p.m. 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, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. or such extended time as may be permitted by Stock Exchanges. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5:00 p.m. on one Working Day post the Tranche I Issue Closing Date.*

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

For further details, see "Issue Procedure" beginning on page 52 for details of category wise eligibility and allotment in the Tranche I Issue.

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

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

OBJECTS OF THE ISSUE

Tranche I Issue proceeds

The NCDs will be issued in one or more tranches including this Tranche I Issue, on terms and conditions as set out in this Tranche I Prospectus for this Tranche I Issue which should be read together with the Shelf Prospectus. The Issue, including this Tranche I Issue is being made pursuant to the provisions of the SEBI Debt Regulations and the Companies Act, 2013.

Our Company proposes to utilize the proceeds raised through this 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 chapter.

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.

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

Particulars	Estimated amount (in ₹ lakhs)
Gross proceeds to be raised through this Tranche I Issue	1,00,000
Less: Tranche I Issue related expenses*	1,028.30
Net Proceeds of the Tranche I Issue after deducting the Tranche I Issue related expenses	98,971.70

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

Requirement of Funds and Utilization of Net Proceeds

The following table details the objects of the Tranche I Issue (“**Objects**”) 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 our Company*	At least 75%
2.	General Corporate Purposes**	Maximum of up to 25%
Total		100%

* *Our Company shall 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 Debt Regulations.*

Tranche I Issue related expenses

A portion of the Tranche I Issue Proceeds will be used to meet Issue-related expenses. The following are the estimated expenses for the Tranche I Issue:

S. No.	Particulars	Amount (In ₹ Lakhs)	As percentage of the Tranche I Issue proceeds	As percentage of the total expenses of the Tranche I Issue (in %)
1.	Fee Payable to intermediaries including Registrar to the Issue and Debenture Trustee	17.50	0.02%	1.70%
2.	Lead Managers fee, selling and brokerage commission, SCSB processing fee	558.75	0.56%	54.34%
3.	Advertising and marketing, printing and stationery costs	308.75	0.31%	30.03%
4.	Other miscellaneous expenses	143.30	0.14%	13.94%
Total		1,028.30	1.03%	100.00%

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

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Managers/Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹10 per Application Form procured (plus applicable taxes). However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee. RTAs and CDPs shall be paid ₹10 (plus applicable taxes)

for each valid Application collected by them. Further, our Company shall pay the Sponsor Bank ₹8 for every valid Application that is blocked. 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/Sponsor Bank.

Funding plan

Our Company confirms that for the purpose of this Tranche I Issue, funding plan will not be applicable.

Summary of the project appraisal report

Our Company confirms that for the purpose of this Tranche I Issue, summary of the project appraisal report will not be applicable.

Schedule of implementation of the project

Our Company confirms that for the purpose of this Tranche I Issue, schedule of implementation of the project will not be applicable.

Monitoring and reporting of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Audit and Risk Management Committee of our Company shall monitor the utilisation of the proceeds of this Tranche I Issue. Our Company will disclose in our Company's financial statements for the relevant Fiscal commencing from Fiscal 2022, the utilisation of the proceeds of this Tranche I Issue under a separate head along with details, if any, in relation to all such proceeds of this Tranche I Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of this Tranche I Issue. Further, in accordance with the SEBI Debt Regulations, our Company will furnish to the Stock Exchange(s) on a half yearly basis, a statement indicating material deviations, if any, in the use of Issue proceeds and shall also publish the same in newspapers simultaneously with the half-yearly financial results in the terms of and as per the format prescribed by SEBI Circular SEBI/HO/DDHS/08/20 dated January 17, 2020. Our Company shall utilize the proceeds of the Tranche I Issue only upon receipt of minimum subscription, i.e. 75% of base issue relating to each Tranche Issue, the execution of documents for creation of Security and the Debenture Trust Deed and receipt of final listing and trading approval from the Stock Exchanges.

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 this Tranche I issue. Pending utilisation of the proceeds out of the Tranche I Issue for the purposes described above, our Company intends to temporarily invest funds in high quality interest/ non- interest bearing liquid instruments including money market mutual funds, deposits with banks, current account of banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by our Board of Directors / Committee of Directors (Administration, Authorization & Finance). 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.

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, 2013, at any time, vary the terms of a contract referred to in this Tranche I Prospectus or the objects for which this Tranche I Prospectus is issued, except subject to an approval given by our Shareholders by a special resolution and after abiding by other requirements specifically stated under Section 27 of the Companies Act, 2013.

General Corporate Purposes

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

Other confirmations

Our Board of Directors certify that: In accordance with the SEBI Debt Regulations, our Company will not utilise the proceeds of the Issue for providing loans to or acquisition of shares of any person who is a part of the same group as our Company or who is under the same management as our Company.

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

the Tranche I Issue proceeds from this Tranche I Issue will be utilized for buying, trading or otherwise dealing in equity shares of any listed company.

- (3) Further our Company undertakes that Tranche I Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines and any directions issued by NHB including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI regulations and any directions issued by NHB. Our Company confirms that it will not use the proceeds of the Issue for the purchase of any business or in the purchase of any interest in any business whereby our Company shall become entitled to the capital or profit or losses or both in such business exceeding 50% thereof, the acquisition of any immovable property or acquisition of securities of any other body corporate.

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.

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

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

MATERIAL DEVELOPMENTS

Except as stated below, there have been no material developments since March 31, 2021 and there have arisen no circumstances that materially and adversely affect the profitability or credit quality of our Company:

- (a) Pursuant to the RBI's direction to refer DHFL to National Company Law Tribunal for initiation of insolvency proceedings of DHFL, our Company submitted a resolution plan on December 22, 2020, including a scheme of arrangement under sections 230 to 232 of the Companies Act, read with the Companies (Compromise, Arrangements and Amalgamations) Rules, 2016 (the "**Resolution Plan**") with the administrator of DHFL for the merger of our Company with and into DHFL from the appointed date (as defined in the Scheme of Arrangement) for a total consideration amount aggregating to ₹ 3,425,000 lakhs (combination of cash and non-convertible debentures) which was subsequently approved by the committee of creditors. Subsequently, the administrator also filed an application with the National Company Law Tribunal for approval of the Resolution Plan including a scheme of merger which has been approved. The rationale for the proposed merger of our Company with and into DHFL is, among others, build long term retail franchise, leverage geographical coverage, leverage existing customer base.

On February 16, 2021, the RBI issued (i) no-objection in relation to change in control/ management of DHFL, (ii) approval for acquisition of DHFL, and (iii) in-principle approval for proposed merger of our Company and DHFL, following which the administrator filed an application with the NCLT, Mumbai bench on February 24, 2021 for approval of the Resolution Plan.

The Resolution Plan was approved by the NCLT, Mumbai bench on June 7, 2021 ("**NCLT Order**"). The implementation of resolution plan was subject to fulfilment of certain conditions by our Company, including (i) approval from RBI for the assignment of external commercial borrowings of DHFL and masala bonds issued by DHFL to our Company; (ii) approval from relevant stock exchange for delisting of the non-convertible debentures issued by DHFL; and (iii) such other regulatory approvals as may be directed by the adjudicating authority, in relation to the amalgamation of our Company with DHFL. In addition to above conditions, our Company is also required to make certain payments inter alia towards (i) workmen and employees (ii) operational creditors (iii) dissenting financial creditors (iv) financial creditors and (v) other creditors of DHFL within specified time. Further, our Company is also required to undertake equity infusion amounting to Rs. 1 crore in DHFL at a price as provided under the NCLT Order.

In the interim, a monitoring committee is formed to supervise the implementation of the Resolution Plan. The NCLT Order, prima facie approved the reverse merger of our Company into and with DHFL. Further, the NCLT also noted that while granting the no-objection certificate by RBI, the status of DHFL was changed from deposit taking housing finance company to non-deposit taking housing finance company. In addition, the approval from the Competition Commission of India was received on April 12, 2021 and other approvals for implementation of resolution plan. Upon completion of the implementation, our Company shall be merged into DHFL by way of an amalgamation by a scheme of arrangement as provided under the NCLT Order. Upon completion of the merger, the merged entity will be renamed as PCHFL. An appeal has been filed before the National Company Law Appellate Tribunal against the Resolution Plan.

With effect from the appointed date, our Company shall stand dissolved and all undertakings, including properties and liabilities of our Company shall stand transferred to and vested in DHFL as a going concern, without any further act, instrument, deed, matter or thing and DHFL shall issue such number of equity shares, which are equivalent to total net worth of our Company as on appointed date subject to certain adjustments in reserves.

SECTION III: ISSUE RELATED INFORMATION

GENERAL TERMS OF THE ISSUE

Authority for this Tranche I Issue

Our Board of Directors, through its resolution dated February 25, 2020 have authorized the Issue for an amount aggregating up to the Shelf Limit.

The Shareholders by way of resolution passed under Section 180(1)(c) of the Companies Act, 2013 in its extraordinary general meeting held on June 11, 2018, approved the borrowing limits of up to ₹ 65,00,000 lakhs over and above the free reserves and equity share capital. The Issue is within the borrowing limit approved by the shareholders.

This Tranche I Issue through this Tranche I Prospectus has been approved by the committee of directors (administration, authorization and finance) at its meeting held on June 30, 2021. The Base Issue Size of this Tranche I Issue is ₹ 20,000 lakh with an option to retain oversubscription up to ₹ 80,000 lakh, amounting to ₹ 1,00,000 lakh.

Principal terms and conditions of this Tranche I Issue

The NCDs being offered as part of this Tranche I Issue are subject to the provisions of the SEBI Debt Regulations, the relevant provisions of the Companies Act, 2013, as on the date of this Tranche I Prospectus, our Memorandum and Articles of Association, the terms of the Draft Shelf Prospectus, the Shelf Prospectus, , the terms and conditions of the Debenture Trustee Appointment Agreement and the Debenture Trust Deed, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI, the Government, the Stock Exchanges, and 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 obligations of our Company and subject to any obligations under applicable statutory and/or regulatory requirements, shall be secured by way of *pari passu* charge by way a first ranking *pari passu* charge by way of a floating charge over the standard movable assets of our Company (both present and future), including receivables and book debts arising out of (i) investments (not in the nature of equity investments or convertible instruments); (ii) lending; and (iii) current assets, loans and advances, save and except any receivables arising out of the investments made or loan extended by the Company to its affiliates. The NCDs proposed to be issued under the Tranche I 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.

Our Company is required to obtain permissions or consents from the prior creditors holding *pari passu* charge over the Security for proceeding with this Tranche I Issue. Pursuant to the DT Circular, our Company undertakes, *inter alia*, that the assets on which charge is created are free from any encumbrances and if the assets are already charged, the permissions or consent to create second or *pari passu* charge on the assets of the Issuer have been obtained from the earlier creditors.

Our Company has, through the Debenture Trustee, intimated all the prior creditors holding *pari passu* charge over the Security for the Issue.

Security

The principal amount of the NCDs to be issued in terms of this Tranche I Prospectus together with all interest due on the NCDs, subject to any obligations under applicable statutory and/or regulatory requirements shall be secured by way of a first ranking *pari passu* charge by way of hypothecation over the standard movable assets of our Company (both present and future), including receivables and book debts arising out of (i) investments (not in the nature of equity investments or convertible instruments); (ii) lending; and (iii) current assets, loans and advances, save and except any receivables arising out of the investments made or loan extended by the Company to its affiliates, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover of minimum 100% of the outstanding principal amounts of the NCDs and interest thereon is maintained at all time until the Maturity Date, more particularly as detailed in the Debenture Trust Deed. The security shall be created prior to the listing of the NCDs. The revaluation and replacement of the security shall be in accordance with the Debenture Trust Deed.

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

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

The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value ensuring the minimum security cover is maintained till the Maturity Date of the NCDs.

Debenture Redemption Reserve

Pursuant to Regulation 16 of the SEBI Debt Regulations and Section 71(4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Pursuant to Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended by the Companies (Share Capital and Debentures) Amendment Rules, 2019, a listed HFC is not required to create a debenture redemption reserve in case of public issue of debentures. The rules further mandate that the company which is coming with a public issue shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15 % of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more prescribed methods.

Accordingly, our Company is not required to create a debenture redemption reserve for the NCDs proposed to be issued through the Issue, including this Tranche I Issue. Further, our Company shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15 % of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15 % of the amount of debentures maturing during year ending on the 31st day of March of that year, in terms of the applicable laws.

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, the SEBI LODR 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, confer upon the NCD Holders thereof any rights or privileges available to our members including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members, 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 on a specific request made to us.
2. Subject to applicable statutory/ regulatory requirements, 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 holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution passed at a meeting of the 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. In case of NCDs held in (i) dematerialised 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 one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such NCDs, either in person or by proxy, at any meeting of the concerned 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 SEBI Debt Regulations, provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this Tranche I prospectus, the Shelf Prospectus and the terms and conditions of the Debenture Trust Deed, requirements of the RBI, NHB, 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. For NCDs in physical form on account of re-materialization, 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 as given thereunder.
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 15 days prior notice for such roll over and in accordance with the SEBI Debt Regulations. Our Company shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

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

Trustees for the NCD holders

We have appointed IDBI Trusteeship Services Limited to act as the Debenture Trustees for the NCD Holders. The Debenture Trustee and we will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holders shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorised officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holders. Any payment made by us to the Debenture Trustee on behalf of the NCD Holders shall discharge us *pro tanto* to the NCD Holders. The Debenture Trustee will protect the interest of the NCD Holders in the event of default by us in regard to timely payment of interest and repayment of principal and they will take necessary action at our cost.

Events of Default

Subject to the terms of the Debenture Trust Deed, the Debenture Trustee at its discretion may, or if so requested in writing by the holders of at least three-fourths of the outstanding amount of the NCDs or with the sanction of a special resolution, passed at a meeting of the NCD Holders, give notice to our Company specifying that the NCDs, in whole but not in part are and have become due and repayable on such date as may be specified in such notice *inter alia* if any of the events listed below occurs. The description below is indicative and a complete list of events of default and its consequences will be specified in the Debenture Trust Deed:

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

Minimum Subscription

In terms of the SEBI Debt Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue (i.e. Rs. 15,000 lakhs). If our Company does not receive the minimum subscription of 75% of the Base Issue (i.e. Rs. 15,000 lakhs), as specified in Tranche I Prospectus, prior to the Tranche I Issue Closing Date for the Tranche I Issue, the entire subscription amount shall be unblocked in the ASBA Accounts of the Applicants within six Working Days from the Tranche I Issue Closing Date for the Tranche I Issue. In the event the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Account(s) of the Applicants within six 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.

Market Lot and Trading Lot

The NCDs shall be allotted in dematerialized form. As per the SEBI Debt 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 52 of this Tranche I Prospectus.

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

NCD Holders are advised to provide the specimen signature of the nominee to 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 of the Companies Act, 2013, read with 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.

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

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

Transfer/Transmission of NCD(s)

The NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the Companies Act, 2013. The NCDs held in dematerialized form shall be transferred subject to and in accordance with the rules/procedures as prescribed by 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 44 of this Tranche I Prospectus, 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.

Pursuant to the SEBI LODR Regulations, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition. Any trading of the NCDs issued pursuant to this Tranche I Issue shall be compulsorily in dematerialized form only.

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 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 authorize 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 authorized 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.

Restriction on transfer of NCDs

There are currently no restrictions on transfers and transmission of NCDs and on their consolidation/ splitting except as may be required under applicable statutory and/or regulatory requirements including any RBI requirements and/or as provided in our Articles of Association. For further details, see the "*Summary of the Key Provisions of Articles of Association*" beginning on page 263 of the Shelf Prospectus.

Jurisdiction

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

Application in this Tranche I 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. Applications in this Tranche I Issue shall be made through the ASBA facility only.

In terms of Regulation 4(2) (d) of the SEBI Debt Regulations, our Company will make public issue of the NCDs in the dematerialised form only. However, in terms of Section 8(1) of the Depositories Act, our Company, at the request of the investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, any trading of the NCDs shall be compulsorily in dematerialised form only.

Tranche I Issue Programme

TRANCHE I ISSUE OPENS ON	Monday, July 12, 2021
TRANCHE I ISSUE CLOSES ON	Friday, July 23, 2021

This Tranche I Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated in this Tranche I Prospectus, except that this Tranche I Issue may close on such earlier date or extended date as may be decided by our Board of Directors. In the event of such an early closure of or extension subscription list of this Tranche I Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or extended date of closure of this Tranche I Issue .

Applications 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, Application Forms will be accepted only from 10:00 a.m. till 3:00 p.m. 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. on one Working Day post the Issue Closing Date.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchanges 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. on the Tranche I Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche I Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Tranche I Issue. Application Forms will only be accepted on Working Days during the Tranche I Issue Period. Neither our Company, nor the Members of the Consortium 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 will be as per the Prospectus. In this regard as per the SEBI circular dated October 29, 2013, the allotment in this Tranche I Issue should be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

Taxation

As per clause (ix) of Section 193 of the IT Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the SCRA and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed NCDs held in the dematerialised form.

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

Payment of Interest

Amount of interest payable shall be rounded off to the nearest Rupee. If the date of interest payment falls on Sundays or holidays of commercial banks in Mumbai, then interest as due and payable on such day, would be paid on the preceding 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 would be subject to the deduction as prescribed in the IT Act or any statutory modification or re-enactment thereof for the time being in force. .

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 the NCDs. NCDs once allotted under any particular Series of NCDs shall continue to bear the applicable tenor, coupon/yield and redemption amount as at the time of original Allotment irrespective of the category of NCD Holder on any record date, and such tenor, coupon/yield and redemption amount as at the time of original allotment will not be impacted by trading of any series of NCDs between the categories of persons or entities in the secondary market

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. For further details, see the “*General Terms of the Issue – Manner of Payment of Interest / Refund / Redemption*” beginning on page 40 of this Tranche I Prospectus.

Maturity and Redemption

The relevant interest will be paid in the manner set out in “*General Terms of the Issue- Payment of Interest*” beginning on page 43 of this Tranche I Prospectus. The last interest payment will be made at the time of redemption of the NCDs.

Series	Maturity period / Redemption (as applicable)
I	26 months from the Deemed Date of Allotment
II	26 months from the Deemed Date of Allotment
III	36 months from the Deemed Date of Allotment
IV	60 months from the Deemed Date of Allotment
V	120 months from the Deemed Date of Allotment

Deemed Date of Allotment

The date on which our Board of Directors or the committee thereof approves the Allotment of the NCDs for this Tranche I Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for this Tranche I Issue by way of this Tranche I Prospectus) shall be available to the Debenture holders from the deemed date of allotment.

Application Size

Each application should be for a minimum of 10 NCDs across all series collectively and multiples of 1 NCD thereafter (for all series of NCDs taken individually or collectively). The minimum application size for each application for NCDs would be ₹10,000 across all series collectively and in multiples of ₹1,000 thereafter. Applicants can apply for any or all series of NCDs offered hereunder provided the Applicant has applied for minimum application size using the same Application Form.

Applicants are advised to ensure that 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.

Terms of Payment

The entire issue price per NCD, as specified in this Tranche I Prospectus, is blocked in the ASBA Account on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall unblock the excess amount paid on application to the applicant in accordance with the terms specified in “*General Terms of the Issue – Terms of Payment*” beginning on page 49 of 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 days prior to the date of payment of interest, and/or the date of redemption under this Tranche I Prospectus. 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.

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.

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) herein above provided they provide necessary information for the above modes and where such payment facilities are allowed / available.

Please note that our Company shall not be responsible to the holder of 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.

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.

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, upon such terms and conditions as may be decided by our Company.

Form and Denomination

In case of NCDs held under different series, as specified in this Tranche I Prospectus, by an NCD Holder, separate certificates will be issued to the NCD Holder for the aggregate amount of the NCDs held under each series.

It is however distinctly to be understood that the NCDs pursuant to this Tranche I issue shall be traded only in demat form. Further, no action is required on the part of 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, as applicable, on the date of this Tranche I Prospectus, 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 or 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 including FEMA and the rules and regulations thereunder. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles and the relevant provisions of the Companies Act, 2013 applicable as on the date of this Tranche I Prospectus, and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, mutatis mutandis (to the extent applicable to debentures) to the 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 at prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with the Issuer or Registrar

For NCDs held in electronic form

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

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

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

Any trading of 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 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 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 Holders required to be given by us or the Debenture Trustee will be sent by speed post or registered post or through email or other electronic media to the registered NCD Holders 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

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 charge on any assets, (a) subject to such consents and approvals and other conditions, as may be required under applicable law or existing financing agreements, including any intimation, if applicable under the Transaction Documents (b) provided the stipulated security cover for the Issue is maintained and compliance with other terms of the Transaction Documents.

Illustration for guidance in respect of the day count convention and effect of holidays on payments.

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Circular No. CIR/IMD/DF/18/2013 October 29, 2013 and SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016 is as disclosed in Annexure C.

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 69 of this Tranche I Prospectus.

Listing

The NCDs proposed to be offered in pursuance of this Tranche I Prospectus and the Shelf 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/003/21-22 dated April 9, 2021 and from NSE by way of its letters bearing reference number NSE/LIST/D/2021/0039 dated April 9, 2021 and dated June 28, 2021 bearing reference number NSE/LIST/C/2021/0435 thereby extending the validity of the in-principle approval. The application for listing of the NCDs will be made to the Stock Exchanges at an appropriate stage.

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 Issue Closing Date.

Guarantee/Letter of comfort

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

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 "*General Terms of the Issue*" beginning on page 33 of this Tranche I Prospectus.

The NCDs being offered as part of the Tranche I Issue are subject to the provisions of the SEBI Debt Regulations, the Debt Listing Agreement, 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 GoI, and other statutory/regulatory authorities relating to the offer, issue and listing of securities and any other documents that may be executed in connection with the NCDs.

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

Particulars	Terms and Conditions
Minimum Application Size	₹10,000 (10 NCDs) across all Series
Mode of allotment	Compulsorily in dematerialized form.
Terms of Payment	Full amount on application.
Trading Lot	One (1) NCD.
Who can apply	<p>Category I</p> <ul style="list-style-type: none"> • Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; • Provident funds and pension funds with a minimum corpus of ₹ 2,500 lakhs, 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 SEBI AIF Regulations; • Resident Venture Capital Funds registered with SEBI; • Insurance companies registered with the IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 50,000 lakhs as per the last audited financial statements • National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual funds registered with SEBI. <p>Category II</p> <ul style="list-style-type: none"> • Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including Public/private charitable/religious trusts which are authorised to invest in the NCDs;

Particulars	Terms and Conditions
	<ul style="list-style-type: none"> Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; Partnership firms in the name of the partners; Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); Association of Persons; and Any other incorporated and/ or unincorporated body of persons. <p>Category III</p> <ul style="list-style-type: none"> 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 Issue <p>Category IV</p> <ul style="list-style-type: none"> 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 of NCDs in this Issue and shall include retail individual investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

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

For further details, see “*Issue Procedure*” beginning on page 52 of this Tranche I Prospectus.

TERMS AND CONDITIONS IN CONNECTION WITH THE NCDs*

Common Terms of NCDs

Particulars	Details
Issuer	Piramal Capital & Housing Finance Limited.
Lead Managers	A. K. Capital Services Limited, Edelweiss Financial Services Limited, JM Financial Limited and Trust Investment Advisors Private Limited.
Debenture Trustee	IDBI Trusteeship Services Limited.
Registrar to the Issue	Link Intime India Private Limited
Type and nature of instrument	Secured, redeemable, listed non-convertible debentures of face value of ₹ 1,000 each.
Seniority	Senior (to clarify, the claims of the NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements).
Base Issue	₹ 20,000 lakhs
Option to retain Oversubscription Amount	₹ 80,000 lakhs
Tranche I Issue Size	₹ 1,00,000 lakhs
Face Value (in ₹ / NCD)	1,000 each
Issue Price (in ₹ / NCD)	1,000
Minimum application and in multiples of NCDs thereafter	₹10,000 (10 NCDs) across all series collectively and in multiples of ₹ 1000 (1 NCDs) thereafter.
Mode of Issue	Public Issue
Tranche I 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 ₹ 2,00,000 lakhs pursuant to the Shelf Prospectus and this Tranche I Prospectus. The base issue size of this Tranche I Issue is ₹ 20,000 lakhs with an option to retain oversubscription up to ₹ 80,000

Particulars	Details															
	lakhs which aggregating up to 1,00,00,000 NCDs and amounting to ₹ 1,00,000 lakhs which is within the Shelf Limit (“ Tranche I Issue ”). This Tranche I Issue is being made pursuant to the terms and conditions of this tranche I prospectus (“ Tranche I Prospectus ”) which should be read together with the shelf prospectus dated June 30, 2021 (“ Shelf Prospectus ”) filed with Registrar of Companies, Maharashtra at Mumbai (“ RoC ”), the Stock Exchanges and the Securities and Exchange Board of India under the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended (the “ SEBI Debt Regulations ”), the Companies Act, 2013 and rules made thereunder, each as amended, and to the extent notified (the “ Companies Act, 2013 ”). The Shelf Prospectus and this Tranche I Prospectus constitute the prospectus (“ Prospectus ”)															
Listing	The NCDs are proposed to be listed on BSE and NSE. BSE shall be the Designated Stock Exchange for this Tranche I Issue The NCDs shall be listed within six Working Days from the Tranche I Issue Closing Date.															
Mode of Allotment and Trading	Compulsorily in dematerialised form.															
Mode of settlement	For further details see “ <i>Issue Structure</i> ” beginning on page 44.															
Market / Trading Lot	One (1) NCD.															
Depositories	NSDL and CDSL.															
Security	The principal amount of the NCDs plus the interest thereon and all secured obligations to be issued shall be secured by way of a first ranking pari passu charge by way of hypothecation over the standard movable assets of our Company (both present and future), including receivables and book debts arising out of (i) investments (not in the nature of equity investments or convertible instruments); (ii) lending; and (iii) current assets, loans and advances, save and except any receivables arising out of the investments made or loan extended by the Company to its affiliates, created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed, such that a security cover of minimum 100% of the outstanding amounts of the NCDs and interest thereon is maintained at all time until the Maturity Date.															
Who can apply/ Eligible Investors	Please see “ <i>Issue Procedure</i> ” beginning on page 52 of this Tranche I Prospectus.															
Credit Rating	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">Rating agency</th> <th style="text-align: center;">Instrument</th> <th style="text-align: center;">Rating symbol</th> <th style="text-align: center;">Date of credit rating letter</th> <th style="text-align: center;">Amount rated (in INR lakhs)</th> </tr> </thead> <tbody> <tr> <td>CARE Ratings Limited</td> <td>Non-Convertible Debentures</td> <td>CARE AA (CWD) (Double A) (Under Credit Watch with Developing Implications)</td> <td>March 24, 2021 revalidated by way of its letter dated June 23, 2021.</td> <td>2,00,000</td> </tr> <tr> <td>ICRA Limited</td> <td>Non-Convertible Debentures</td> <td>[ICRA] AA with outlook (Negative)</td> <td>March 23, 2021 and revalidated by way of its letter dated June 24, 2021.</td> <td>2,00,000</td> </tr> </tbody> </table> <p>See Annexure A1, Annexure A2, for rating letter and rationale for the above ratings. For further details regarding the disclaimer clause of the Credit Rating Agencies, see “<i>General Information</i>” beginning on page 15 of this Tranche I Prospectus.</p>	Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated (in INR lakhs)	CARE Ratings Limited	Non-Convertible Debentures	CARE AA (CWD) (Double A) (Under Credit Watch with Developing Implications)	March 24, 2021 revalidated by way of its letter dated June 23, 2021.	2,00,000	ICRA Limited	Non-Convertible Debentures	[ICRA] AA with outlook (Negative)	March 23, 2021 and revalidated by way of its letter dated June 24, 2021.	2,00,000
Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated (in INR lakhs)												
CARE Ratings Limited	Non-Convertible Debentures	CARE AA (CWD) (Double A) (Under Credit Watch with Developing Implications)	March 24, 2021 revalidated by way of its letter dated June 23, 2021.	2,00,000												
ICRA Limited	Non-Convertible Debentures	[ICRA] AA with outlook (Negative)	March 23, 2021 and revalidated by way of its letter dated June 24, 2021.	2,00,000												
Pay-in Date	Application Date. The entire Application Amount is payable on Application															
Application money	The entire application amount is payable on submitting the application.															
Record Date	The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be. In case Record Date falls on a Sunday or a non-Working Day, the immediate subsequent Working day or a date notified by our Company to the Stock Exchanges, will be deemed as the Record Date.															

Particulars	Details
All covenants of the Issue (including side letters, accelerated payment clause, etc.)	As agreed in the Debenture Trust Deed, executed/to be executed in accordance with applicable law
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, replacement of security, interest of the debenture holder over and above the coupon rate	<p>The principal amount of the NCDs, plus the interest thereon and all secured obligations to be issued shall be secured by way of a first ranking pari passu charge by way of hypothecation over the standard movable assets of our Company (both present and future), including receivables and book debts arising out of (i) investments (not in the nature of equity investments or convertible instruments); (ii) lending; and (iii) current assets, loans and advances, save and except any receivables arising out of the investments made or loan extended by the Company to its affiliates. 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 <i>pari passu</i> without preference of one over the other except that priority for payment shall be as per applicable date of redemption / repayment. For further details on date of creation of security/likely date of creation of security, minimum security cover etc, please refer to the “<i>General Terms of the Issue – Security</i>” on page 33 of the Tranche I Prospectus.</p> <p>We have received necessary consents from the relevant debenture trustees and security trustees for ceding pari passu charge in favour of the Debenture Trustee in relation to the NCDs.</p> <p>Company shall pay interest of at least 2% per annum to the NCD Holders, over and above the coupon rate mentioned in the relevant Tranche Prospectus, if the Company fails to execute the Debenture Trust Deed within the period specified in Regulation 15(1) of the SEBI Debt Regulations or such other time frame as may be stipulated from time to time.</p> <p>The security shall be created prior to the listing of the NCDs.</p> <p>The revaluation and replacement of the security shall be in accordance with the Debenture Trust Deed</p>
Tranche I Issue Schedule	This Tranche I Issue shall be open from Monday, July 12, 2021 to Friday, July 23, 2021 with an option to close earlier and/or extend up to a period as may be determined by the Committee of Directors
Objects of the Issue	For further details, see “ <i>Objects of the Issue</i> ” on page 29 of this Tranche I Prospectus.
Details of the utilisation of Issue proceeds	For further details, see “ <i>Objects of the Issue</i> ” on page 29 of this Tranche I Prospectus.
Coupon rate, coupon payment date and redemption premium/discount	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 44 of this Tranche I Prospectus.
Step up/ Step down interest rates	Not applicable
Interest type	Fixed
Interest reset process	Not applicable
Tenor	See “ <i>Issue Structure</i> ” beginning on page 44 of this Tranche I Prospectus.
Coupon payment frequency	See “ <i>Issue Structure</i> ” beginning on page 44 of this Tranche I Prospectus.
Discount at which security, if any is issued and the effective yield as a result of such discount.	Not applicable
Redemption date	See “ <i>General Terms of the Issue</i> ” beginning on page 33 of this Tranche I Prospectus.
Redemption Amount	See “ <i>General Terms of the Issue</i> ” beginning on page 33 of this Tranche I Prospectus
Day count convention	Actual/Actual.
Working Days convention/Day count convention / Effect of holidays on payment	<p>Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Tranche I Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post Tranche I issue period, i.e. period beginning from Tranche I Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchanges excluding Sundays and bank holidays in Mumbai.</p> <p>Interest shall be computed on a 365 days-a-year basis on the principal outstanding on the NCDs. However, if period from the Deemed Date of Allotment / anniversary date of</p>

Particulars	Details
	Allotment till one day prior to the next anniversary /redemption date includes February 29, interest shall be computed on 366 days a-year basis, on the principal outstanding on the NCDs. If the date of payment of interest specified does not fall on a Working Day, then the succeeding Working Day will be considered as the effective date for such payment of interest, as the case may be (the " Effective Date "), 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, 1961 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) falls on a holiday, the interest/redemption payments shall be made only on the preceding Working Day, along with interest accrued on the NCDs until such date, however, excluding the date of such payment.
Tranche I Issue Opening Date	Monday, July 12, 2021
Tranche I Issue Closing Date	Friday, July 23, 2021
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, listing, dematerialized credit, refunds, 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.
Put/Call	Not applicable.
Call Notification Time / Put Notification Time	Not applicable.
Deemed Date of Allotment	The date on which our Board of Directors or duly authorized committee of the Board of Directors approves the Allotment of the NCDs for each Tranche Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the debenture holders from the Deemed Date of Allotment.
Transaction documents	Transaction documents shall mean the Draft Shelf Prospectus, the Shelf Prospectus, 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 to be executed between our Company and the Debenture Trustee. For further details see, " <i>Material Contracts and Documents for Inspection</i> " on page 273 of the Shelf Prospectus.
Conditions precedent and subsequent to the Issue	Other than the conditions set out in the Debenture Trust Deed and as specified in the SEBI Debt Regulations, there are no conditions precedent to disbursement and conditions subsequent.
Event of default	See " <i>General Terms of the Issue – Events of Default</i> " beginning on page 33 of this Tranche I Prospectus
Creation of recovery expense fund	Our Company undertakes to deposit an amount in recovery expense fund in the manner as specified by SEBI in circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020, as amended, and inform the Debenture Trustee regarding 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.
Conditions for breach of covenants (as specified in Debenture Trust Deed)	<p>Upon occurrence of any default in the performance or observance of any term, covenant, condition or provision contained in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche I Prospectus and the Debenture Trust Deed and, except where the Debenture Trustee certifies that such default is in its opinion incapable of remedy (in which case no notice shall be required), it shall constitute an event of default.</p> <p>The Debenture Trustee may, at any time, waive, on such terms and conditions as to it shall seem expedient, any breach by the Company of any of the covenants and provisions in these presents contained without prejudice to the rights of the Debenture Trustee in respect of any subsequent breach thereof.</p> <p>Please refer to the section titled "<i>General Terms of the Issue -Events of default</i>" on page 33 of this Tranche I Prospectus.</p>
Cross Default	As per the Debenture Trust Deed executed / to be executed in accordance with applicable law
Roles and responsibilities of the Debenture Trustee	For further details, see " <i>General Terms of the Issue - Trustees for the NCD holders</i> " beginning on page 35 of this Tranche I Prospectus.
Risk factors pertaining to the	For further details, see " <i>Risk Factors</i> " beginning on page 17 of the Shelf Prospectus.

Particulars	Details
Issue	
Governing law and jurisdiction	This Tranche I Issue shall be governed in accordance with the laws of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai.

**This Tranche I Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated in this Tranche I Prospectus, except that this Tranche I Issue may close on such earlier date or extended date as may be decided by the Board of Directors or a duly authorised committee of the Board of Directors. In the event of such an early closure or extension of this Tranche I Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of this Tranche I Issue have been published on or before such earlier date or initial date of 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, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. 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. on one Working Day post the Tranche I Issue Closing Date. Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges.*

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

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

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

Terms of the NCDs

Terms of Payment

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

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

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

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

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 Tranche I Issue.

Specific terms and conditions in connection with each series of NCDs

Series	I	II	III*	IV	V
Interest type	Fixed	Fixed	Fixed	Fixed	Fixed
Frequency of Interest Payment	Annual	Cumulative	Annual	Annual	Annual
Type of NCDs	Secured				
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	26 months	26 months	36 months	60 months	120 months
Coupon (% per annum) for NCD Holders in Category I & II	8.10%	NA	8.25%	8.50%	8.75%
Coupon (% per annum) for NCD Holders in Category III & IV	8.35%	NA	8.50%	8.75%	9.00%
Effective Yield (% per annum) for NCD Holders in Category I & II	8.12%	8.10%	8.24%	8.50%	8.74%
Effective Yield (% per annum) for NCD Holders in Category III & IV	8.37%	8.35%	8.49%	8.75%	8.99%
Mode of Interest Payment	Through various mode available				
Amount (Rs / NCD) on Maturity for NCD Holders in Category I & II	₹1,000	₹1184.20	₹1,000	₹1,000	₹1,000
Amount (Rs / NCD) on Maturity for NCD Holders in Category III & IV	₹1,000	₹1190.15	₹1,000	₹1,000	₹1,000
Put and Call Option	Not Applicable				

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

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

Subject to applicable tax deducted at source, if any

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 Tranche I Issue. For further details, see “Issue Procedure” and “General Terms of Issue” on page 52 and 33 of this Tranche I Prospectus.

Interest and Payment of Interest

The relevant interest for each Option will be paid on each anniversary of the Deemed Date of Allotment on the face value of the NCDs. The last interest payment will be made at the time of redemption of the NCDs.

Interest payment

Series I NCDs

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

Category of NCD Holders	Coupon (%) p.a.
Category I & II	8.10%
Category III & IV	8.35%

Series I NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 26 months from the Deemed Date of Allotment.

Series II NCDs

Series II NCD shall be redeemed at Rs. 1184.20 per NCD for category I & II investors and at Rs. 1190.15 per NCD for category III & IV investors at the end of 26 months from the Deemed Date of Allotment

Series III NCDs

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

Category of NCD Holders	Coupon (%) p.a.
Category I & II	8.25%
Category III & IV	8.50%

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

Series IV NCDs

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

Category of NCD Holders	Coupon (%) p.a.
Category I & II	8.50%
Category III & IV	8.75%

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

Series V NCDs

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

Category of NCD Holders	Coupon (%) p.a.
Category I & II	8.75%
Category III & IV	9.00%

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

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on a succeeding Working Day; however, the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.

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

ISSUE PROCEDURE

This section applies to all Applicants. Specific attention of all Applicants is invited to the SEBI Circular CIR/DDHS/P/121/2018 dated August 16, 2018 (the "Debt ASBA Circular"), which provides, inter-alia, that for all public issues of debt securities opening on or after October 1, 2018, all Applicants shall mandatorily use the ASBA facility for participating in the Issue. ASBA Applicants and Applicants applying through the Direct Online Application Mechanism (as defined hereinafter) should note that the ASBA process and the Direct Online Application Mechanism involve application procedures that are different from the procedure applicable to all other Applicants. Please note that all Applicants are required to pay the full Application Amount or ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. ASBA Applicants must ensure that their respective ASBA Accounts can be blocked by the SCSBs for the full Application Amount.

In addition, specific attention is invited to SEBI Circular SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 ("UPI Mechanism Circular"), whereby retail individual investor may use the Unified Payment Interface ("UPI") to participate in the public issue for an amount up to ₹ 2,00,000 being conducted on or after January 1, 2021.

ASBA Applicants should note that they may submit their ASBA Applications to the Designated Intermediaries. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Tranche I Prospectus.

Retail individual investors should note that they may use the UPI mechanism to block funds for application value up to ₹ 2,00,000 submitted through the app/web interface of the Stock Exchange or through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants).

Please note that this section has been prepared based on the UPI Mechanism Circular, SEBI circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013, the Debt ASBA Circular and other related circulars. The procedure mentioned in this section is subject to the Stock Exchanges putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular, including the systems and infrastructure required in relation to Applications made through the Direct Online Application Mechanism and the online payment gateways to be offered by the Stock Exchanges and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI. The Direct Online Application facility will be available for this Issue as per mechanism provided in the UPI Mechanism circular

Specific attention is drawn to the circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which amends the provisions of the Debt Application Circular to the extent that it provides for allotment in public issues of debt securities to be made on the basis of the date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

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

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

For the purposes of this section, the term "Working Day" shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to the Tranche I Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of the post Tranche I issue period, i.e. period beginning from the Tranche I Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchanges excluding Sundays and bank holidays in Mumbai, in accordance with the Debt ASBA Circular.

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.

PROCEDURE FOR APPLICATION

Who can apply?

The following categories of persons are eligible to apply in this Tranche I Issue.

Category I

- Public financial institutions, scheduled commercial banks and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds with a minimum corpus of ₹2,500 lakhs, 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 SEBI AIF Regulations;
- Resident venture capital funds registered with SEBI;
- Insurance companies registered with the Insurance Regulatory and Development Authority of India (“**IRDAI**);
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically important non-banking financial company registered with the RBI and having a net-worth of more than ₹ 50,000 lakhs as per the last audited financial statements
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

Category II

- Companies within the meaning of Section 2(20) of the Companies Act, 2013;
- statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- Co-operative banks and regional rural banks;
- Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs;
- Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;
- Partnership firms in the name of the partners; and
- Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009).
- Association of Persons; and
- Any other incorporated and/ or unincorporated body of persons.

Category III

- High Net-worth Individual Investors - Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10,00,000 across all options of NCDs in this Tranche I Issue.

Category IV

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

include retail individual investors, who have submitted bid for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs 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 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.

Who are not eligible to apply for the NCDs?

Applications cannot be made by:

1. Minors without a guardian name* (a guardian may apply on behalf of a minor. However, the name of the guardian will also need to be mentioned on the Application Form);
2. Foreign nationals;
3. Persons resident outside India;
4. Foreign Institutional Investors;
5. Foreign Portfolio Investors;
6. Non Resident Indians;
7. Qualified Foreign Investors;
8. Overseas Corporate Bodies**;
9. Foreign Venture Capital Funds; and
10. 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.

11. Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of such Applications, the Registrar to the Issue shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock 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 the Issue.*

The Lead Managers, Members of Consortium and their respective associates and affiliates are permitted to subscribe in this Tranche I Issue.

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

How to apply?

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

Please note that there is a single Application Form for who are persons resident in India.

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

Additionally, the Shelf Prospectus, Shelf Prospectus, this Tranche-I Prospectus and the Application Forms will be available

- (i) for download on the website of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, and the website of the Lead Managers at www.akgroup.co.in, www.edelweissfin.com, www.jmfl.com and www.trustgroup.in.
- (ii) at the designated branches of the SCSBs and the Members of the Consortium at the Specified Locations.

Electronic Application Forms will also be available on the website of the Stock Exchanges. A unique application number ("UAN") will be generated for every Application Form downloaded from the websites of the Stock Exchanges. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Method of Application

In terms of the Debt ASBA Circular, an eligible investor desirous of applying in this Tranche I Issue can make Applications through the ASBA mechanism only.

Applicants are requested to note that in terms of the Debt Application Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("**Direct Online Application Mechanism**"). In this regard, SEBI has, through the Debt Application Circular, directed recognized Stock Exchanges in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism infrastructure. The Direct Online Application facility will be available for this Issue as per mechanism provided in the UPI Mechanism circular

All Applicants shall mandatorily apply in this Tranche I Issue through the ASBA process only. Applicants intending to subscribe in the Tranche I 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 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 CRTAs at the Designated CRTA 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 Designated Intermediaries shall accept Applications only at the Specified Locations and should ensure that they verify the details about the ASBA Account and relevant SCSB prior to accepting the Application Form.

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.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, 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 Tranche I Issue should be made by Applicants directly to the relevant Stock Exchanges.

In terms of the UPI Mechanism Circular, an eligible investor desirous of applying in this 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 Exchange 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 Exchange 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.2 lac or less. The intermediary shall upload the bid on the Stock Exchange 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 Exchange (or any other permitted methods) wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism.
- b. 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>. 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. For further details, see "*Process for investor application submitted with UPI as mode of payment*" beginning on page 63.

Application Size

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 and ASBA Account.

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

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

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

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

Scheduled commercial banks, co-operative banks and regional rural banks can apply in a relevant Tranche Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (iv) a letter of authorisation.

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

Application by Insurance Companies

Insurance companies registered with IRDAI can apply in this Tranche I Issue based on their own investment limits and approvals in accordance with the regulations, guidelines and circulars issued by the IRDAI. The Application Form must be accompanied by certified true copies of their (i) certificate registered with the 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.

Applications by alternative investments funds

Applications made by 'alternative investment funds' eligible to invest in accordance with the SEBI AIF Regulations for Allotment of the NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The alternative investment funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

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.

Applications by public financial institutions or statutory corporations, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person.

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

The Application must be accompanied by certified true copies of: (i) any Act/ rules under which they are incorporated; (ii) board resolution authorising investments; and (iii) specimen signature of authorized person.

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

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant.

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

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant.

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

In case of Applications made pursuant to a power of attorney by Applicants from Category I, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants from Category II and Category III, a certified copy of the power of attorney must be lodged along with the Application Form. In case of physical ASBA Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form.

Failing this our Company, in consultation with the Lead Managers, reserves the right to reject such Applications. Our Company, in its absolute discretion, reserves the right to relax the above condition of

attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

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

In case of Applications made by Applications by associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) power of attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to this Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions.

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorized to invest in the NCDs

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by the Income Tax authorities.

Applications by National Investment Funds

Application made by a national investment fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons.

Applications by non-banking financial companies

Non-banking financial companies can apply in this Issue based on their own investment limits and approvals. Applications made by non-banking financial companies registered with the RBI and under other applicable laws in India must be accompanied by certified true copies of: (i) board resolution authorising investments; and (ii) specimen signature of authorized person.

For each of the above applicant categories if the Application is not made in the form and along with the requirements set out above, the Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Payment instructions

Payment mechanism for Applicants

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form.

An Applicant may submit the completed Application Form to designated intermediaries along with details of his/her bank account for blocking of funds. The intermediary shall upload the bid on the Designated Stock Exchange bidding platform and forward the application form to a branch of a SCSB for blocking of funds.

An Applicant may submit the 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 ₹ 2,00,000 or less. The intermediary shall upload the bid on the Stock Exchange bidding platform. The application amount would be blocked through the UPI Mechanism once the mandate request has been successfully accepted by the Applicant in this case.

An Applicant may submit the Application Form through the App or web interface developed by Stock Exchanges wherein the bid is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI Mechanism once the mandate request has been successfully accepted by the Applicant.

Upon receipt of an intimation from the Registrar to the Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account and Sponsor Bank Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue to the respective SCSB within six Working Days of the Tranche I Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Tranche I Issue or until rejection of the Application, as the case may be.

Additional information for Applicants

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

Additional Instructions for retail individual investors using the UPI mechanism:

- a) Before submission of the application form with the Designated Intermediary, a Retail Individual Investor shall download the mobile app for UPI and create a UPI ID (xyz@bankname) of not more than 45 characters with its bank and link it to his/ her bank account where the funds equivalent to the application amount is available.
- b) The Retail Individual Investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchanges App/ Web interface.
- c) The Designated Intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the Stock Exchange(s) bidding platform using appropriate protocols.
- d) Once the bid has been entered in the bidding platform, the Stock Exchange(s) shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- e) The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to Stock Exchange(s) which would be shared by the Stock Exchange(s) with the Designated Intermediaries through its platform, for corrections, if any.

- f) Once the bid details are uploaded on the Stock Exchange(s) platform, the Stock Exchange(s) shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next Working Day.
- g) Post undertaking validation with the Depository, the Stock Exchange(s) shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the Company.
- h) The Sponsor Bank shall initiate a mandate request on the investor i.e. request the investor to authorize blocking of funds equivalent to application amount and subsequent debit of funds in case of allotment.
- i) The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- j) The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the bid details submitted by such investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by the Sponsor Bank would be a one-time mandate for each application in the Issue.
- k) The investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the Issue period or any other modified closure date of the Issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next Working Day.
- l) The investor 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 ID but not both. However, the investor can withdraw the bid(s) and reapply.
- m) For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 (T being the Issue Closing Date) modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 (T being the Issue Closing Date) day till 1 pm
- n) The facility of Re-initiation/ Resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- o) Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
- p) The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange(s). The block request status would also be displayed on the Stock Exchange(s) platform for information of the intermediary.
- q) The information received from Sponsor Bank, would be shared by Stock Exchange(s) with the Registrar to the Issue in the form of a file for the purpose of reconciliation.
- r) Post closure of the Issue, the Stock Exchange(s) shall share the bid details with the Registrar to the Issue. Further, the Stock Exchange(s) shall also provide the Registrar to the Issue, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.

Applicants are advised not to submit Application Forms to Public Issue Account Banks and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

Filing of the Shelf Prospectus and this Tranche I Prospectus with ROC

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

Pre-Issue Advertisement

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

Instructions for completing the Application Form

- (a) Applications must be made in the prescribed Application Form.
- (b) Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Tranche I Prospectus, the Tranche Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Designated Intermediaries will not be liable for errors in data entry due to incomplete or illegible Application Forms.
- (c) Applications are required to be for a minimum of such NCDs and in multiples of one NCD thereafter as specified in this Tranche I Prospectus.
- (d) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- (e) Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.
- (f) Applicants applying for Allotment must provide details of valid and active DP ID, UPI ID, if applicable, 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 the Designated Intermediaries, as the case may be, the Registrar to the Issue will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.
- (g) Applicants must ensure that their Application Forms are made in a single name.
- (h) If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- (i) Applicant should correctly mention the ASBA Account number and 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 and ensure that the signature in the Application Form matches with the signature in the Applicant's bank records.
- (j) 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.
- (k) 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.
- (l) All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
- (m) Applications for all the options of the NCDs may be made in a single Application Form only.

The series, mode of allotment, PAN, demat account number, 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 the Consortium nor the other Designated Intermediaries, 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 Series III NCDs, as specified in this Tranche I Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

Applicants' PAN, Depository Account and Bank Account Details

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

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

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

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

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

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

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

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of NCDs pursuant to this Tranche I Issue will be made into the accounts of the Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, UPI ID, Client ID and PAN, then such Applications are liable to be rejected.

Applicants should note that the NCDs will be allotted to all successful Applicants only in dematerialized form. The Application Forms which do not have the details of the Applicant's depository account, including DP ID, Client ID and PAN and UPI ID (for retail individual investor Applicants bidding using the UPI mechanism), shall be treated as incomplete and will be rejected.

Unified Payments Interface (UPI)

SEBI has issued UPI circulars on November 23, 2020 with reference number SEBI/HO/DDHC/CIR/P/2020/233 in relation to streamlining the process of public issue of *inter alia* debt issues. Pursuant to the UPI circular, the UPI Mechanism has been introduced and will become applicable for public debt issues being conducted on or after January 1, 2021 as a payment mechanism (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 Exchange and National Payments Corporation of India in order to facilitate the collection of requests and/or payment instructions of the investors.

Electronic registration of Applications

- a) The Designated Intermediaries will register the Applications using the on-line facilities of the Stock Exchanges. The Lead Managers, our Company, and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the Designated Intermediaries, (ii) the Applications uploaded by the Designated Intermediaries, (iii) the Applications accepted but not uploaded by the Designated Intermediaries, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (iv) Applications accepted and uploaded by the Designated Intermediaries for which the Application Amounts are not blocked by the SCSBs.
- b) The Stock Exchanges will offer an electronic facility for registering Applications for this Tranche I Issue. This facility will be available on the terminals of Members of the Consortium and the other Designated Intermediaries during the Tranche I Issue Period. On the Tranche I Issue Closing Date, the Members of the Consortium and the other Designated Intermediaries shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Members of the Consortium and the other Designated Intermediaries on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Tranche I Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
- c) 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 Tranche I Issue Period.
- d) At the time of registering each Application, the Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, UPI ID, if applicable, Client ID, number and Option(s) of NCDs applied, Application Amounts and any other details that may be prescribed by the online uploading platform of the Stock Exchanges.
- e) A system generated Acknowledgement Slip will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the Acknowledgement Slip from the Members of the Consortium or the other Designated Intermediaries, as the case may be. The registration of the Applications by the Designated Intermediaries does not guarantee that the NCDs shall be allocated/ Allotted by our Company. Such Acknowledgement Slip will be non-negotiable and by itself will not create any obligation of any kind.
- f) The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Tranche I Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.
- g) In case of apparent data entry error by the Designated Intermediaries, in entering the Application Form numbers in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid or such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange.
- h) Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for Allotment. The Designated Intermediaries shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured is accurate, Designated Intermediaries will be given up to one Working Day (till 1:00 PM) after the Tranche I Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche I Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Process for investor application submitted with UPI as mode of payment

- a. Before submission of the application with the intermediary, the investor would be required to have / create a UPI ID, with a maximum length of 45 characters including the handle (Example: InvestorID@bankname).
- b. An investor shall fill in the bid details in the application form along with his/ her bank account linked UPI ID and submit the application with any of the intermediaries or through the stock exchange App/ Web interface, or any other methods as may be permitted.
- c. The intermediary, upon receipt of form, shall upload the bid details along with the UPI ID on the stock exchange bidding platform using appropriate protocols.

- d. Once the bid has been entered in the bidding platform, the Stock Exchange shall undertake validation of the PAN and Demat account combination details of investor with the depository.
- e. The Depository shall validate the aforesaid PAN and Demat account details on a near real time basis and send response to stock exchange which would be shared by stock exchange with intermediary through its platform, for corrections, if any.
- f. Once the bid details are uploaded on the Stock Exchange platform, the Stock Exchange shall send an SMS to the investor regarding submission of his / her application, at the end of day, during the bidding period. For the last day of bidding, the SMS may be sent the next working day.
- g. Post undertaking validation with the Depository, the Stock Exchange shall, on a continuous basis, electronically share the bid details along with investors UPI ID, with the Sponsor Bank appointed by the issuer.
- h. The Sponsor Bank shall initiate a mandate request on the investor
- i. The request raised by the Sponsor Bank, would be electronically received by the investor as a SMS / intimation on his / her mobile no. / mobile app, associated with the UPI ID linked bank account.
- j. The investor shall be able to view the amount to be blocked as per his / her bid in such intimation. The investor shall be able to view an attachment wherein the public issue bid details submitted by investor will be visible. After reviewing the details properly, the investor shall be required to proceed to authorize the mandate. Such mandate raised by sponsor bank would be a one-time mandate for each application in the public issue.
- k. An investor is required to accept the UPI mandate latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.
- l. An investor 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 ID but not both. However, the investor can withdraw the bid(s) and reapply.
- m. For mismatch bids, on successful validation of PAN and DP ID/ Client ID combination during T+1 modification session, such bids will be sent to Sponsor Bank for further processing by the Exchange on T+1 day till 1 PM.
- n. The facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
- o. Upon successful validation of block request by the investor, as above, the said information would be electronically received by the investors' bank, where the funds, equivalent to application amount, would get blocked in investors account. Intimation regarding confirmation of such block of funds in investors account would also be received by the investor.
- p. The information containing status of block request (e.g. accepted / decline / pending) would also be shared with the Sponsor Bank, which in turn would be shared with the Stock Exchange. The block request status would also be displayed on the Stock Exchange platform for information of the intermediary.
- q. The information received from Sponsor Bank, would be shared by stock exchange with RTA in the form of a file for the purpose of reconciliation.
- r. Post closure of the offer, the Stock Exchange shall share the bid details with RTA. Further, the Stock Exchange shall also provide the RTA, the final file received from the Sponsor Bank, containing status of blocked funds or otherwise, along with the bank account details with respect to applications made using UPI ID.
- s. The allotment of debt securities shall be done as per SEBI Circular No. CIR/IMD/DF/18/2013 dated October 29, 2013.
- t. The RTA, based on information of bidding and blocking received from the Stock Exchange, shall undertake reconciliation of the bid data and block confirmation corresponding to the bids by all investor category applications (with and without the use of UPI) and prepare the basis of allotment.

- u. Upon approval of the basis of allotment, the RTA shall share the 'debit' file with Sponsor bank (through Stock Exchange) and SCSBs, as applicable, for credit of funds in the public issue account and unblocking of excess funds in the investor's account. The Sponsor Bank, based on the mandate approved by the investor at the time of blocking of funds, shall raise the debit / collect request from the investor's bank account, whereupon funds will be transferred from investor's account to the public issue account and remaining funds, if any, will be unblocked without any manual intervention by investor or their bank.
- v. Upon confirmation of receipt of funds in the public issue account, the securities would be credited to the investor's account. The investor will be notified for full/partial allotment. For partial allotment, the remaining funds would be unblocked. For no allotment, mandate would be revoked and application amount would be unblocked for the investor.
- w. Thereafter, Stock Exchange will issue the listing and trading approval.
- x. Further, in accordance with the Operational Instructions and Guidelines for Making Application for Public Issue of Debt Securities through BSEDirect issued by BSE on December 28, 2020 the investor shall also be responsible for the following:
 - i. Investor shall check the Issue details before placing desired bids;
 - ii. Investor shall check and understand the UPI mandate acceptance and block of funds process before placing the bid;
 - iii. The receipt of the SMS for mandate acceptance is dependant upon the system response/ integration of UPI on Debt Public Issue System;
 - iv. Investor shall accept the UPI Mandate Requests within the stipulated timeline;
 - v. Investor shall note that the transaction will be treated as completed only after the acceptance of mandates by the investor by way of authorising the transaction by entering their UPI pin and successfully blocking funds through the ASBA process by the investor's bank;
 - vi. Investor shall check the status of their bid with respect to the mandate acceptance and blocking of funds for the completion of the transaction; and
 - vii. In case the investor does not accept the mandate within stipulated timelines, in such case their bid will not be considered for allocation.
- y. Further, in accordance with circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 5, 2021 the investor shall also be responsible for the following:
 - i. After successful registration & log-in, the investors shall view and check the active Debt IPO's available from IPO dashboard.
 - ii. Investors shall check the issue/series details. Existing registered users of NSE goBID shall also be able to access once they accept the updated terms and condition.
 - iii. After successfully bidding on the platform, investors shall check the NSE goBID app/psp/sms for receipt of mandate & take necessary action.
 - iv. UPI mandate can be accepted latest by 5 pm on the third working day from the day of bidding on the stock exchange platform except for the last day of the issue period or any other modified closure date of the issue period in which case, he / she is required to accept the UPI mandate latest by 5 pm the next working day.
 - v. For UPI bid the facility of re-initiation/ resending the UPI mandate shall be available only till 5 pm on the day of bidding.
 - vi. Investors can use the re-initiation/ resending facility only once in case of any issue in receipt/acceptance of mandate.

General Instructions

Do's

- Check if you are eligible to apply as per the terms of the Shelf Prospectus, this Tranche I Prospectus and applicable law;
- Read all the instructions carefully and complete the Application Form;

- Ensure that the details about Depository Participant and beneficiary account are correct and the beneficiary account is active;
- Applications are required to be in single or joint names (not more than three);
- In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as ‘XYZ Hindu Undivided Family applying through PQR’, where PQR is the name of the Karta;
- Ensure that Applications are submitted to the Designated Intermediaries, before the closure of application hours on the Issue Closing Date;
- Information provided by the Applicants in the Application Form will be uploaded on to the online platform of the Stock Exchanges by the Designated Intermediaries, as the case may be, and the electronic data will be used to make allocation/ Allotment. The Applicants should ensure that the details are correct and legible;
- Ensure that the Applicant’s names (given in the Application Form is exactly the same as the names in which the beneficiary account is held with the Depository Participant). In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form;
- Ensure that you have funds equal to or more than the Application Amount in your ASBA Account before submitting the Application Form;
- Ensure that you mention your PAN in the Application Form. In case of joint applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;

Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to the circular dated April 3, 2008 issued by SEBI) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same.

- Ensure that the Demographic Details as provided in the Application Form are updated, true and correct in all respects;
- Ensure that you request for and receive an Acknowledgement Slip for all your Applications and an acknowledgement as a proof of having been accepted;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of the NCDs;
- Before submitting the physical Application Form with the Designated Intermediaries, ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;
- Ensure that your Application Form is submitted to the Designated Intermediaries and not to the Public Issue Account Bank or Refund Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- For Applicants applying through the SCSBs, ensure that your Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Public Issue Bank (assuming that such bank is not a SCSB), to our Company, the Registrar to the Issue or the Designated Intermediaries;
- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;
- Retail individual investors using the UPI Mechanism to ensure that they submit bids up to the application value of ₹ 2,00,000;
- Investor using the UPI Mechanism should ensure that the correct UPI ID (with maximum length of 45 characters including the handle) is mentioned in the Bid cum Application Form;

- Investors bidding using the UPI Mechanism should ensure that they use only their own bank account linked UPI ID to make an application in the issue and submit the application with any of the intermediaries or through the Stock Exchange App/ Web interface;
- Ensure that you have mentioned the correct ASBA Account number or UPI ID (as applicable) in the Application Form;
- Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the Members of the Consortium at the Specified Locations, or to the Designated Intermediaries, as the case may be;
- Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, *via* the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form, 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;
- Retail individual investors submitting Application Form using the UPI Mechanism, should ensure that the: (a) bank where the bank account linked to their UPI ID is maintained; and (b) the Mobile App and UPI handle being used for making the Bid, are listed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40;
- Ensure that you receive an acknowledgement from the Designated Branch or the concerned member of the Consortium, or the Designated Intermediaries, as the case may be, for the submission of the Application Form;
- Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that your Application Form bears the stamp of the relevant Designated Intermediaries to whom the Application is submitted;
- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form; and
- Tick the Option of NCDs in the Application Form that you wish to apply for.

Don'ts

- Do not apply for lower than the minimum Application size;
- Do not pay the Application amount in cash, by money order, postal order or by stock invest;
- Do not send the Application Forms by post; instead submit the same to the Designated Intermediaries (as the case may be) only;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID, UPI ID (if applicable) and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar;
- Do not submit an Application Form using UPI ID, if the Application is for an amount more than ₹ 2,00,000;
- Do not fill up the Application Form such that the NCDs applied for exceeds the size of this Issue and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit a bid using UPI ID, if you are not a retail individual investor;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Bidding through the UPI Mechanism using the incorrect UPI handle or using a bank account of an SCSB and/or mobile applications which are not mentioned in the list provided in the SEBI;

- Do not submit an Application in case you are not eligible to acquire the NCDs under applicable law or your relevant constitutional documents or otherwise;
- Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts;
- Do not submit more than five Application Forms per ASBA Account;
- 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;
- Do not submit the Application Forms without the Application Amount; and
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872.

Submission of Application Forms

For details in relation to the manner of submission of Application Forms, see “*Issue Procedure*” beginning on page 52 of this Tranche I Prospectus.

OTHER INSTRUCTIONS

Joint Applications

Applications may be made in single or joint names (not exceeding three). In the case of joint Applications, all payments will be made out in favour of the first Applicant. All communications will be addressed to the first named Applicant whose name appears in the Application Form and at the address mentioned therein.

Additional/ Multiple Applications

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

Depository Arrangements

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

- Tripartite Agreements dated March 22, 2021 and October 9, 2017, between us, the Registrar to the Issue and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
- An Applicant must have at least one beneficiary account with any of the Depository Participants of NSDL or CDSL prior to making the Application.
- NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
- Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.
- It may be noted that NCDs in electronic form can be traded only on Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.
- Interest or other benefits with respect to the NCDs held in dematerialised form would be paid to those NCD holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
- The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form in multiples of One NCD only.

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

For further information relating to Applications for Allotment of the NCDs in dematerialised form, see “*Issue Procedure*” beginning on page 52.

Communications

All future communications in connection with Applications made in this Issue should be addressed to the Registrar to the Issue quoting all relevant details as regards the Applicant and its Application.

Applicants can contact our Company Secretary and Compliance Officer or the Registrar to the Issue in case of any pre Issue related problems and/or post Issue related problems such as non-receipt of Allotment Advice non-credit of NCDs in depository’s beneficiary account/ etc. Please note that Applicants who have applied for the NCDs through Designated Intermediaries should contact the Stock Exchanges in case of any post Issue related problems, such as non-receipt of Allotment Advice / non-credit of NCDs in depository’s beneficiary account/ etc.

Interest in case of Delay

Our Company undertakes to pay interest, in connection with any delay in allotment, demat credit and refunds, beyond the time limit as may be prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under such applicable statutory and/or regulatory requirements.

Rejection of Applications

As set out below or if all required information is not provided or the Application Form is incomplete in any respect, our Board of Directors and / or any committee 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:

- Applications not made through the ASBA facility;
- Number of NCDs applied for or Applications for an amount being less than the minimum Application size;
- Applications not being signed by the sole/joint Applicants;
- Applications submitted without blocking of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Application Amount blocked being higher than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;
- Investor Category in the Application Form not being ticked;
- Date of birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form
- Applications where a registered address in India is not provided by the Applicant;
- ASBA Bank account details to block Application Amount not provided in the Application Form;
- Submission of more than five ASBA Forms per ASBA Account;
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor without the name of a guardian;
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- DP ID, Client ID and UPI ID (in case applying through UPI Mechanism) not mentioned in the Application Form;
- Applications by stock invest or accompanied by cash/money order/postal order or any mode other than ASBA;
- If an authorization to the SCSB or Sponsor Bank for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has not been provided;

- Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable;
- In case of partnership firms, NCDs may be applied for in the names of the individual partner(s) and no firm as such shall be entitled to apply for in its own name. However a limited liability partnership firm can apply in its own name;
- Applications made without mentioning the PAN of the Applicant, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants;
- GIR number mentioned in the Application Form instead of PAN;
- Application by OCBs;
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- Applications by any persons outside India;
- For all Applications for Allotment the, DP ID, Client ID and PAN mentioned in the Application Form do not match with the DP ID, Client ID and PAN available in the records with the depositories;
- Applications by persons who are not eligible to acquire the NCDs in terms of applicable laws, rules, regulations, guidelines and approvals;
- Application Forms from Applicants not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant's bank records;
- Inadequate funds or no credit balance in the ASBA Account to enable the SCSB or Sponsor Bank 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 or Sponsor Bank for blocking of funds;
- Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- Applications by Applicants seeking Allotment in dematerialised form whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Applications not uploaded on the terminals of the Stock Exchanges;
- Applications providing an inoperative demat account number;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;
- Application Forms submitted to the Designated Intermediaries which do not bear the stamp of the relevant Designated Intermediaries. Applications submitted directly to the Designated Branches of the SCSBs and do not bear the stamp of the SCSB and/or the Designated Branch and/or the Members of the Consortium, or other Designated Intermediaries, as the case may be;
- Applications by other persons who are not eligible to apply for NCDs under this Issue under applicable Indian regulatory requirements;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and Tranche I Prospectus and as per the instructions in the Application Form, the Shelf Prospectus and this Tranche I Prospectus;
- Application Form accompanied with more than one cheque;
- Applications tendered to the Designated Intermediaries at centers other than the centers mentioned in the Application Form;
- The UPI Mandate Request is not approved by the retail individual investor;

- In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application; and

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

Mode of making refunds

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

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

The Registrar to the Issue shall instruct the relevant SCSB 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 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 Deemed 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 orders have not been dispatched to the Applicants within six Working days from the Issue Closing Date, for the delay beyond six Working days in case of non-receipt of minimum subscription; and
- (d) Our Company will provide adequate funds to the Registrar to the Issue / relevant banks for this purpose.

Retention of oversubscription

For the purposes of determining the number of NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be Allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription in the Tranche I Issue up to the Tranche I Issue Limit i.e. aggregating up to ₹ 1,00,000 Lakhs. The aggregate value of NCDs decided to be Allotted over and above the Base Issue Size, (in case our Company opts to retain any oversubscription in the Tranche I Issue), and/or the aggregate value of NCDs up to the Base Issue Size shall be collectively termed as the “Tranche I Issue Limit”

Basis of Allotment for NCDs

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

Allocation Ratio

The registrar 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 allocation. Grouping of the application received will be then done in the following manner:

For the purposes of the basis of allotment:

- A. Applications received from Category I Investors: Applications received from Applicants belonging to Category I shall be grouped together, (“**Institutional Portion**”);
- B. Applications received from Category II Investors: Applications received from Applicants belonging to Category II, shall be grouped together, (“**Non-Institutional Portion**”).
- C. Applications received from Category III Investors: Applications received from Applicants belonging to Category III shall be grouped together, (“**High Net-worth Individual Category Portion**”).
- D. Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV shall be grouped together, (“**Retail Individual Category Portion**”).

For removal of doubt, the terms "**Institutional Portion**", "**Non-Institutional Portion**", "**High Net-worth Individual Category Portion**" and "**Retail Individual Category Portion**" are individually referred to as “**Portion**” and collectively referred to as “**Portions**”.

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

- (i) Applicants belonging to the Institutional Portion, in the first instance, will be allocated NCDs up to 10% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 10% of Tranche I Issue Limit for the Institutional Portion shall be done considering the aggregate subscription received in the Institutional Portion;
- (ii) Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated NCDs up to 10% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 10% of Tranche I Issue Limit for the Non-Institutional Portion shall be done considering the aggregate subscription received in the Non-Institutional Portion;
- (iii) Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated NCDs up to 40% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 40% of Tranche I Issue Limit for the High Net Worth Individual Investors Portion shall be done considering the aggregate subscription received in the High Net Worth Individual Investors Portion; and
- (iv) Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated NCDs up to 40% of Tranche I Issue Limit on first come first serve basis which would be determined on the basis of date of upload of their Applications in to the electronic platform of the Stock Exchanges. The determination of Allocation ratio of 40% of Tranche I Issue Limit for the Retail Individual Investors Portion shall be done considering the aggregate subscription received in the Retail Individual Investors Portion.

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the electronic book with Stock Exchange, in each Portion subject to the Allocation Ratio indicated above.

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

Under Subscription

(a) 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 overall Tranche I Issue Limit due to undersubscription in each Portion, all valid Applications received till the end of last day of the Issue Closure day shall be grouped together in each Portion and full and firm Allotments will be made to all valid Applications in each Portion.

(b) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchange would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the platform of the Stock Exchanges on a particular date exceeds NCDs to be Allotted for each portion, respectively.

(c) Minimum Allotments of 1 NCD and in multiples of 1 NCD thereafter would be made in case of each valid Application to all Applicants.

Allotments in case of oversubscription

In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of the NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of NCDs to the applicants on the date of oversubscription (based on the date of upload of each Application on the electronic platform of the Stock Exchanges, in each Portion).

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

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

Proportionate Allotments

For each Portion(s), on the date of oversubscription:

- (i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.
- (ii) If the process of rounding off to the nearest integer results in the actual allocation of NCDs being higher than the Tranche I Issue Limit, not all Applicants will be allotted the number of NCDs arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.
- (iii) In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalised by draw of lots in a fair and equitable manner.

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 Manager and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the 5 (five) Series and in case such Applicant cannot be allotted all the 5 (five) 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 26 months followed by Allotment of NCDs with tenor of 36 months and so on.

Investor Withdrawals and Pre-closure

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

Withdrawal of Applications after the 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 prior to the finalization of the Basis of Allotment.

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

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

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

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 has not been subscribed or received, as applicable, within the specified period, the application money received is to be unblocked/credited only to the bank account in/from which the subscription was blocked/remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard.

Revision of Applications

As per the notice no: 20120831-22 dated August 31, 2012 issued by BSE, cancellation of one or more orders (series) within an Application is permitted during the Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. However, please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the Stock 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.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries will be given up to one Working Day (till 1:00 PM) after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the NSDL and CDSL.

Utilisation of Application Amounts

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

Utilisation of the proceeds of this Tranche I Issue

- All monies received out of this Tranche I Issue shall be credited / transferred to a separate bank account maintained with a Scheduled Bank as referred to in Section 40 of the Companies Act, 2013.

- The allotment letter shall be issued or application money shall be refunded / unblocked within 6 Working days from the closure of the Tranche I Issue or such lesser time as may be specified by SEBI, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.
- Details of all monies unutilised out of the previous issues made by way of public offer, as well as the monies to be raised through this Tranche I Issue, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.
- Details of all monies utilised out of the previous issue made by way of public offer shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.
- Details of all unutilised monies out of this Tranche I Issue, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of this Tranche I Issue remains unutilized indicating the form in which such unutilised monies have been invested.
- We shall utilize proceeds of this Tranche I Issue subsequent to (a) receipt of minimum subscription; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; and (d) obtaining Listing and Trading approval from the Stock Exchanges as stated in this Tranche I Prospectus in “*Issue Structure*” beginning on page 44.
- Proceeds of this Tranche I Issue shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.
- Proceeds of this Tranche I Issue shall not be utilized for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

Impersonation

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

“Any person who:

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

shall be liable for action under Section 447.”

Undertakings by our Company

We undertake that:

- a) the complaints received in respect of this Tranche I Issue (except for complaints in relation to Applications submitted to Designated Intermediaries) shall be attended to by us expeditiously and satisfactorily;
- b) we shall take necessary steps for the purpose of getting the NCDs listed within the specified time i.e. six Working Days from the Tranche I Issue Closing Date;
- c) the funds required for dispatch of allotment advice/ certificates by registered post/ speed post shall be made available to the Registrar to the Issue by our Company;
- d) necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the NCDs are outstanding;
- e) we shall forward the details of utilisation of the funds raised through the NCDs duly certified by our statutory auditors, to the Debenture Trustee at the end of each half year;

- f) we shall disclose the complete name and address of the Debenture Trustee in our annual report and on our Company's website;
- g) the assets on which charge is created in the Issue are free from any encumbrances and in cases where the assets are already charged to secure a debt, the permission or consent to create a second or pari-passu charge on our Company's assets has been obtained from the earlier creditor(s);
- h) we shall create a recovery expense fund in the manner as maybe specified by the Board from time to time and inform the Debenture Trustee about the same.
- i) the charge created on the Security shall be registered with the sub-registrar, RoC, CERSAI, Depositories, as applicable, within 30 days of creation of such charge;
- j) NCDs shall be considered as secured only if the charged assets are registered with the sub-registrar and RoC or CERSAI or Depositories, as applicable or is independently verifiable by the Debenture Trustee;
- k) we shall provide a compliance certificate to the Debenture Trustee (on an annual basis) in respect of compliance with the terms and conditions of issue of NCDs as contained in the Transaction Documents; and
- l) we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

To,
The Board of Directors
Piramal Capital & Housing Finance Limited

4th Floor, Piramal Tower
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai – 400 013

30 March 2021

Dear Sirs,

Subject: Statement of possible tax benefits ('statement') available to the debenture holders of Piramal Capital & Housing Finance Limited ('the Company') in connection with the proposed public issue of secured, rated, listed, redeemable, non-convertible debentures ("NCDs") of face value Rs.1000 each, aggregating up to Rs. 2,00,000 lakh, in one or more tranches (the 'Issue')

1. We, B S R & Co. LLP, Chartered Accountants, hereby report that the enclosed statement prepared by the Company, states the possible tax benefits available to the debenture holders of the Company under the Income tax Act, 1961 ('the Act'), presently in force in India.
2. Several of these benefits are dependent on the debentures holders fulfilling the conditions prescribed under the relevant statutory provisions of the Act. Hence, the ability of the debenture holders to derive the tax benefits is dependent upon their fulfilling such conditions which is based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.
3. The benefits discussed in the enclosed statement are not exhaustive. Further, the preparation of the statement and its contents is the responsibility of management of the Company. 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 changing tax laws, each investor is advised to consult with his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue of secured, rated, listed, redeemable, non-convertible debentures ("NCDs") by the Company. Neither are we suggesting nor are we advising the investor to invest money based on this statement.
4. We do not express any opinion or provide any assurance as to whether:
 - i) the debenture holders will continue to obtain these benefits in the future; or
 - ii) the conditions prescribed for availing of the benefits have been/would be met.The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.
5. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/ courts will concur with the views expressed herein. Our views are based on the existing provisions of the tax laws and their interpretation, which are subject to change from time to time. We do not assume responsibility to update this statement consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.
6. The enclosed statement is intended solely for your information and for inclusion in the draft shelf prospectus, the shelf prospectus and the relevant tranche prospectus (collectively the "**Issue Documents**") in connection with the proposed issue of NCDs by the Company under the Companies Act 2013 and the rules made thereunder and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended (the "**ILDS Regulations**") issued by Securities and Exchange Board of India ("**SEBI**") and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours Sincerely

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mumbai
30 March 2021

Venkataramanan Vishwanath
Partner
Membership No: 113156
ICAI UDIN : 21113156AAAABC5614

ANNEXURE: STATEMENT OF TAX BENEFITS

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

The note is based on the provisions of the IT Act, as on date, taking into account the amendments made by the Finance Act, 2021.

Under the existing provisions of law, the following tax benefits, inter-alia, will be available to the Debenture Holder(s). The tax benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the law or enactments thereto. The information given below lists out the possible benefits available to the Debenture Holder(s) of an Indian company in which public are substantially interested¹, in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the debenture.

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

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

I. To the Resident Debenture Holder

Interest on NCD

1. Interest received by Debenture Holder(s) would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the rate of 10% at the time of credit/payment as per the provisions of Section 193 of the I.T. Act. However, no income tax is deductible at source in respect of the following:

(a) On any security issued by a company in a dematerialized form and is listed on recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made there under. (w.e.f. 01.06.2008).

(b) In case the payment of interest on debentures to a resident individual or a Hindu Undivided Family ('HUF'), Debenture Holder does not or is not likely to exceed Rs 5,000 in aggregate during the Financial Year and the interest is paid by an account payee cheque.

(c) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture Holder justifies no/lower deduction of tax at source as per the provisions of section 197(1) of the I.T. Act; and that certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest.

(d) (i) When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of section 197A(1A) of the I.T. Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However under section 197A(1B) of the I.T. Act, "Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the nature of income referred in section 197(1) or section 197(1A) such as dividend income referred to in section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India etc. as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the previous year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax".

To illustrate, as on 01.04.2021 -

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

Refer Section 2(18) of the I.T. Act.

- in the case of every individual being a resident in India, who is of the age of 80 years or more at any time during the Financial year (Super Senior Citizen) is Rs. 5,00,000 for Financial Year 2021-22.

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

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

(iii) In all other situations, tax would be deducted at source as per prevailing provisions of the I.T. Act. Form No.15G with PAN / Form No.15H with PAN / Certificate issued u/s 197(1) has to be filed with the Company before the prescribed date of closure of books for payment of debenture interest without any tax withholding.

2. In case where tax has to be deducted at source while paying debenture interest, the Company is not required to deduct surcharge, health and education cess.

Classification of gains on transfer

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

Capital gains and other general provisions

4. As per the provisions of section 2(29A) of the IT Act, read with section 2(42A) of the I.T. Act, a listed debenture is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer. In all other cases, it is 36 months immediately preceding the date of its transfer.

As per section 112 of the I.T. Act, capital gains arising on the transfer of long term capital assets being listed securities are subject to tax at the rate of 20% of capital gains calculated after reducing indexed cost of acquisition or 10% of capital gains without indexation of the cost of acquisition. The capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition/indexed cost of acquisition of the debentures from the sale consideration. However as per the fourth proviso to section 48 of I.T. Act, benefit of indexation of cost of acquisition under second proviso of section 48 of I.T. Act, is not available in case of bonds and debenture, except capital indexed bonds. Accordingly, long term capital gains arising to the Debenture Holder(s), would be subject to tax at the rate of 10%, computed without indexation, as the benefit of indexation of cost of acquisition is not available in case of debentures.

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

5. Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. The provisions relating to maximum amount not chargeable to tax would also apply to such short term capital gains.
6. As per section 74 of the I.T. Act, short-term capital loss on debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term

capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

II. To Mutual Funds

All mutual funds registered under Securities and Exchange Board of India or set up by public sector banks or public financial institutions or authorised by the Reserve Bank of India are exempt from tax on all their income, including income from investment in Debentures under the provisions of Section 10(23D) of the I.T. Act subject to and in accordance with the provisions contained therein. Further, as per the provisions of section 196 of the I.T. Act, no deduction of tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the I.T. Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it.

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

1. As per Section 2(14) of the I.T. Act, any securities held by FIIs/FPIs² which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.
2. In accordance with and subject to the provisions of section 115AD of the I.T. Act, long term capital gains on transfer of debentures by FIIs/FPIs are taxable at 10% (plus applicable surcharge and cess) and short term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of section 48 of the I.T. Act will not apply.
3. In the regular course, interest is subject to tax at the rate of 20%. However, section 194LD of the I.T. Act provides for lower rate of withholding tax at the rate of 5% on payment by way of interest paid by any person to FIIs/FPIs and Qualified Foreign Investor in respect of rupee denominated bonds of an Indian company on or after June 1, 2013 but before July 1, 2023 (provided such rate does not exceed the rate as may be notified³ by the Government). Further, as per the proviso to section 115AD(1)(i) of the I.T. Act, income by way of interest referred to in section 194LD of the I.T. Act is taxed at the rate of 5%.
4. In accordance with and subject to the provisions of section 196D(1) of the I.T. Act, tax is required to be deducted at the rate of 20% in respect of income from securities specified under section 115AD(1)(a) of the I.T. Act. However, the Finance Act, 2021 has amended section 196D(1) of the I.T. Act to provide that with effect from 1 April 2021, in case of a payee to whom an agreement under section 90(1) or section 90A(1) of the I.T. Act applies and such payee has furnished the tax residency certificate, then the tax shall be deducted at the rate of 20% or rate or rates of income-tax provided in such agreement for such income, whichever is lower.
5. In accordance with and subject to the provisions of section 196D(2) of the I.T. Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs/FPIs.

IV. To the Non-resident Indian Debenture Holder – Special provisions

1. A non-resident Indian has ***an option*** to be governed by Chapter XII-A of the I.T. Act, subject to the provisions contained therein which are given in brief as under:

Interest on NCD and capital gains on transfer

- (a) Under section 115E of the I.T. Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas, long term capital gains on transfer of such Debentures will be taxable at 10% of such capital gains without indexation of cost of

² The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the I.T. Act.

³ Refer Notification No. 56/2013 [F.No.149/81/2013-TPL]/SO 2311(E), dated 29-7-2013. As per the said Notification, in case of bonds issued on or after the 1st day of July, 2010, the rate of interest shall not exceed 500 basis points (bps) over the Base Rate of State Bank of India applicable on the date of issue of the said bonds.

acquisition. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.

Exemption from long-term capital gains

- (b) Under section 115F of the I.T. Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in section 10(4B) of the I.T. Act in accordance with and subject to the provisions contained therein.

Other relaxations

- (c) Under section 115G of the I.T. Act, it shall not be necessary for a non-resident Indian to file a return of income under section 139(1) of the I.T. Act, if his total income consists only of investment income as defined under section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the I.T. Act in accordance with and subject to the provisions contained therein.
- (d) Under section 115H of the I.T. Act, where a non-resident Indian becomes a resident in India in any subsequent year, he may furnish to the Assessing Officer a declaration in writing along with return of income under section 139 for the assessment year for which he is assessable as a resident, to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income (other than on shares in an Indian Company) derived from any foreign exchange assets in accordance with and subject to the provisions contained therein. On doing so, the provisions of Chapter XII-A shall continue to apply to him in relation to such income for that assessment year and for every subsequent assessment year until the transfer or conversion (otherwise than by transfer) into money of such assets.
2. In accordance with and subject to the provisions of section 115-I of the I.T. Act, a Non-Resident Indian **may opt not to be governed** by the provisions of Chapter XII-A of the I.T. Act. In that case, the general provisions applicable to non-residents would apply.
3. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is 20% on investment income and 10% on any long-term capital gains as per section 115E, and at normal rates for Short Term Capital Gains if the payee Debenture Holder is a Non Resident Indian.

V. To Non-resident Debenture Holder –General

1. Under the general provisions applicable to non-resident investors, the applicable tax rates are as under:
- (a) Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.
- (b) Investment income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act.
2. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is 10% on long-term capital gains and at the normal rates on investment income and on Short Term Capital Gains if the payee Debenture Holder is a Non-Resident.
3. As per Section 74 of the I.T. Act, short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.
4. As per section 90(2) of the I.T. Act read with the Circular no. 728 dated October 30, 1995 issued by the

Central Board of Direct Taxes ('CBDT'), in the case of a remittance to a country with which a Double Taxation Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the I.T. Act or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of Tax Residency Certificate ('TRC') is a mandatory condition for availing benefits under any DTAA. Further, such non-resident investor would also be required to furnish Form 10F along with TRC, if such TRC does not contain information prescribed by the CBDT vide its Notification No. 57/2013 dated 1 August 2013.

5. Alternatively, to ensure non deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under section 195(2) / 195(3) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.
6. Where, debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act. Further, where the debentures are sold by the Debenture Holder(s) before maturity, the gains arising therefrom are generally treated as capital gains or business income as the case may be. However, there is an exposure that the Indian Revenue Authorities (especially at lower level) may seek to challenge the said characterisation (especially considering the provisions explained in Para VI below) and hold such gains/income as interest income in the hands of such Debenture Holder(s). Further, cumulative or regular returns on debentures held till maturity would generally be taxable as interest income taxable under the head Income from other sources where debentures are held as investments or business income where debentures are held as trading asset / stock in trade.
7. Section 9 of the I.T. Act seeks to charge tax in various cases where income may be deemed to accrue or arise in India. Included in the list is the case of indirect transfer of capital assets in India through transfer of any share or interest in any company or entity outside India. However, indirect transfer provisions shall not apply to investment held by any non-resident, directly or indirectly, in FII and registered as Category-I FPI under the SEBI Act, 1992.

VI. Multi-Lateral Instruments

The Organization of Economic Co-operation and Development ('OECD') released the Multilateral Convention to implement Tax Treaty related measures to prevent Base Erosion and Profit Shifting ('MLI'). The MLI, amongst others, includes a "principal purpose test", wherein Tax Treaty benefits can be denied if one of the principal purpose of an arrangement or a transaction was to, directly or indirectly, obtain tax benefit. India has been an active participant in the entire discussion and its involvement in the BEPS project has been intensive. In a ceremony held in Paris on 7 June 2017, various countries including India, signed the MLIs.

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

In terms of Chapter XA of the I.T. Act, General Anti-Avoidance Rule may be invoked notwithstanding anything contained in the I.T. Act. By this Rule, any arrangement entered into by an assessee may be declared to be impermissible avoidance arrangement as defined in that Chapter and the consequence would be inter alia denial of tax benefit, applicable w.e.f 1-04-2017. The GAAR provisions can be said to be not applicable in certain circumstances viz. the main purpose of arrangement is not to obtain a tax benefit etc. including circumstances enumerated in CBDT Notification No. 75/2013 dated 23 September 2013.

VIII. Exemption under Section 54F of the I.T. Act

Exemptions may be claimed from taxation of LTCG if investments in certain specified securities/assets is made subject to fulfillment of certain conditions.

Section 54F of the I.T. Act exempts long-term capital gains on transfer of shares, held by an individual or HUF, if the net consideration is utilized to purchase/ construct a residential house within specified timelines.

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

1. *Sec.139A(5A)*

Section 139A(5A) requires every person from whose income tax is to be deducted at source to furnish his PAN to the person responsible for deduction of tax at source.

2. *Sec.206AA*

(a) Section 206AA of the I.T. Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB ('deductee') to furnish his PAN to the deductor, failing which tax shall be deducted at the highest of the following rates:

- (i) at the rate in force specified in the relevant provision of the I.T. Act; or
- (ii) at the rates in force; or
- (iii) at the rate of **twenty per cent**

However, new rule 37BC of the Income Tax Rules provides that the provisions of section 206AA of the I.T Act shall not apply on payments made to non-resident deductees who do not have PAN in India. The non-resident deductee in this regard, shall be required to furnish few prescribed details inter alia name, email-ID, contact number, certificate of his being resident in that country and Tax Identification Number (TIN).

(b) A declaration under Section 197A(1) or 197A(1A) or 197A(1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (a) above in such a case.

(c) Where a wrong PAN is provided, it will be regarded as non-furnishing of PAN and Para (a) above will apply apart from any penal consequences.

3. *Sec. 206AB*

(a) Finance Act, 2021 has introduced a new section 206AB which requires tax to be deducted at source on any sum payable to a "specified person", at the higher of the following rates:

- (iv) at twice the rate in force specified in the relevant provision of the I.T. Act; or
- (v) at twice the rates in force; or
- (vi) at the rate of **five per cent**

(b) This proposed section applies to the provisions of Chapter XVII-B (that is, TDS), other than sections⁴ 192, 192A, 194B, 194BB, 194LBC or 194N.

(c) If the provisions of section 206AA are applicable to a "specified person", then the tax shall be deducted at higher of the two rates provided in this section and in section 206AA.

(d) "Specified person" means a person who

- (i) has not filed the returns of income for both of the two assessment years relevant to the two previous years immediately prior to the previous year in which tax is required to be deducted, for which the time limit of filing return of income under sub-section (1) of section 139 has expired; and
- (ii) the aggregate of tax deducted at source and tax collected at source in his case is **rupees fifty thousand or more** in each of these two previous years.

However, the specified person shall not include a non-resident who does not have a permanent establishment in India.

X. Taxability of Gifts received for nil or inadequate consideration

As per section 56(2)(x) of the I.T. Act, where any person receives debentures from any person on or after 1st April 2017:

⁴ Section 192 – TDS on Salary
Section 192A – TDS on accumulated PF balance due to employee
Section 194B – TDS on winnings from lottery/crossword puzzle
Section 194BB – TDS on winnings from horse race
Section 194LBC – TDS on income from investment in securitization trust
Section 194N – TDS on Payment of certain amounts in cash

(i) without any consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;

(ii) for a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures as exceeds such consideration;

shall be taxable as the income of the recipient at the normal rates of tax. The above is subject to few exceptions as stated on section 56(2)(x) of the Act.

Further, the mechanism for computing the fair market value has been prescribed in Rule 11U and Rule 11UA of the Income Tax Rules, 1962.

XI. General Tax Rates (relevant for computing tax on short term capital gains)

Rates applicable to different categories of assesses:

a) The slab rates applicable to individuals/HUF/Association of Persons (AOP)/Body of Individuals (BOI)/Artificial Juridical Person are as under:

Note: tax rates are exclusive of surcharge and cess. Please refer point 'c' below.

Slabs	% of Income Tax
Up to Rs. 2.5 lacs (Basic exemption limit)	Nil
From Rs. 2.5 lacs to Rs. 5 lacs	5% of the amount by which the total income exceeds Rs. 2.5 lacs
From Rs. 5 lacs to Rs. 10 lacs	Rs. 12,500 plus 20% of the amount by which the total income exceeds Rs. 5 lacs
Above Rs. 10 lacs	Rs. 1,12,500 plus 30% of the amount by which the total income exceeds Rs. 10 lacs.

Basic exemption limit for resident senior citizens of 60 years but below 80 years of age is Rs. 3 lacs and for resident senior citizens of 80 years of age or more is Rs. 5 lacs.

An individual resident, whose total income does not exceed Rs. 5,00,000 (w.e.f. 1 April 2019) shall be eligible for a rebate of amount of income-tax payable on the total income for any assessment year or Rs 12,500, whichever is less.

As per section 115BAC, as inserted by Finance Act, 2020, an individual or a HUF may, at their option, compute income-tax payable in the following manner for any previous year relevant to the assessment year beginning on or after the 1st day of April 2021:

Slabs	% of Income Tax
Up to Rs. 2.5 lacs (Basic exemption limit)	Nil
From Rs. 2.5 lacs to Rs. 5 lacs	5% of the amount by which the total income exceeds Rs. 2.5 lacs
From Rs. 5 lacs to Rs. 7.5 lacs	Rs. 12,500 plus 10% of the amount by which the total income exceeds Rs. 5 lacs
From Rs. 7.5 lacs to Rs. 10 lacs	Rs. 37,500 plus 15% of the amount by which the total income exceeds Rs 7.5 lacs
From Rs. 10 lacs to Rs. 12.5 lacs	Rs. 75,000 plus 20% of the amount by which the total income exceeds Rs 10 lacs
From Rs. 12.5 lacs to Rs. 15 lacs	Rs. 1,25,000 plus 25% of the amount by which total income exceeds Rs. 12.5 lacs
Above Rs. 15 lacs	Rs. 1,87,500 plus 30% of the amount by which the total income exceeds Rs. 15 lacs.

For opting for the aforesaid new tax regime, most of the deductions/exemptions such as section 80C, 80D, etc. are to be foregone. The aforesaid regime is optional. Accordingly, individuals and HUFs have the option to

be taxed under either of the options. The option under new regime once exercised can be changed in subsequent years (not applicable for business income).

b) Tax Rates applicable to other categories of assesses:

Note: tax rates are exclusive of surcharge and cess. Please refer point 'c' below.

Assessee	% of Income Tax
Partnership Firms	30%
Domestic Companies	30%
	25% <i>(Refer note 1)</i>
	22% <i>(Refer note 2)</i>
	15% <i>(Refer note 3)</i>
Foreign Company	40%

Notes:

1. The Finance Act, 2021, provides that where the total turnover or the gross receipt of the domestic company does not exceed Rs. 400 crores in the previous year 2019-20, the rate of income tax is 25%.
2. Further, as per section 115BAA, as introduced by the Taxation Laws (Amendment) Act, 2019, a domestic company can opt for paying tax at a lower rate of 22% (plus applicable surcharge & health and education cess) subject to prescribed conditions especially such that certain deductions and exemptions need to be foregone. The option has to be exercised before the due date of filing the income-tax return. Once the option is exercised, it cannot be withdrawn subsequently.
3. Further, the said Act has also introduced Section 115BAB as well wherein the new domestic manufacturing companies, which have been set up and registered on or after 1 October 2019 and commenced manufacturing on or before 31 March 2023, can opt for a lower tax rate of 15% (plus applicable surcharge & health and education cess) subject to prescribed conditions especially such that certain deductions and exemptions need to be foregone. The option has to be exercised before the due date of filing the income-tax return. Once the option is exercised, it cannot be withdrawn subsequently.

c) Surcharge and cess

The rates of surcharge applicable to various assesseees are provided as under:

For Individuals/HUF/ AOP/ BOI/ Artificial Juridical Person

Nature of Income	If total income does not exceed Rs. 50 lakhs	If total income exceeds Rs. 50 lakhs but doesn't exceed Rs. 1 crore	If total income exceeds Rs. 1 crore but doesn't exceed Rs. 2 crores	If total income exceeds Rs. 2 crores but doesn't exceed Rs. 5 crores	If total income exceeds Rs. 5 crores
Short-term capital gain under section 111A	Nil	10%	15%	15%	15%
Long-term capital gain under section 112A	Nil	10%	15%	15%	15%
Short term or Long term capital gains	Nil	10%	15%	15%	15%

under section 115AD(1)(b)					
Interest and Other Income	Nil	10%	15%	25%	37%

For Companies

Particulars	If total income does not exceed Rs. 1 crore	If total income exceeds Rs. 1 crore but does not exceed Rs. 10 crores	If total income exceeds Rs. 10 crores
Domestic Company (other than those opting for section 115BAA or 115BAB)	Nil	7%	12%
Domestic Company opting for section 115BAA and 115BAB	10%	10%	10%
Foreign Companies	Nil	2%	5%

For Firms and LLPs

12% where total income exceeds Rs. 1 crore.

Over and above the surcharge, 'Health and Education Cess' at the rate of 4% on tax including surcharge is payable by all taxpayer persons.

B. IMPLICATIONS UNDER THE WEALTH TAX ACT, 1957

The Finance Act, 2015 has abolished Wealth Tax Act, 1957 with effect from 1 April 2016 which shall then apply in relation to FY 2015-16 and subsequent years. There is, therefore, no wealth tax obligation arising out of the investment in debentures.

Notes

1. The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and Wealth Tax Act, 1957 (collectively referred to as 'direct tax laws') and does not cover benefits under any other law.
2. The above statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debentures/bonds. Further, several of these benefits are dependent on the Debenture Holder fulfilling the conditions prescribed under the relevant provisions.
3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2022-23 (considering the amendments made vide Finance Act, 2021).
4. This statement is intended only to provide general information to the Debenture Holder(s) and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each Debenture Holder is advised to consult his/her/its own tax advisor with respect to specific tax consequences of his/her/its holding in the debentures of the Company.
5. The stated benefits will be available only to the sole/ first named holder in case the debenture is held by joint holders.

6. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant tax treaty, if any, between India and the country in which the nonresident has fiscal domicile. For taxes paid in India, the same could be claimed as a credit in accordance with the provisions of the relevant tax treaty and applicable domestic tax law.
7. Interest on application money would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 194A/ 195 of the I.T. Act.
8. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this statement.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for this Tranche I Issue

Our Board of Directors, through its resolution dated February 25, 2020 have authorized the Issue for an amount aggregating up to the Shelf Limit.

The Shareholders by way of resolution passed under Section 180(1)(c) of the Companies Act, 2013 in its extraordinary general meeting held on June 11, 2018, approved the borrowing limits of up to ₹ 65,00,000 lakhs over and above the free reserves and equity share capital. The Issue is within the borrowing limit approved by the shareholders.

The Shelf Prospectus and this Tranche I Prospectus has been approved by the Committee of Directors (Administration, Authorization & Finance) at its meeting held on June 30, 2021. 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, which issue is being made as decided by the Board of Directors.

Prohibition by SEBI

Our Company or persons in control of our Company and/or our Promoter 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. Further, no member of our promoter group has been prohibited or debarred by SEBI from accessing the securities market or dealing in securities due to fraud.

Identification as wilful defaulter

Our Company or any of our Directors or our Promoter have not been identified as willful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on willful defaulters issued by the RBI or any other governmental authority. Our Company or our Promoter are not in default of payment of interest or repayment of principal amount in respect of debt securities issued by them to the public, if any, for a period of more than six months.

Disclaimer Clause of NHB

THE COMPANY HELD A VALID CERTIFICATE OF REGISTRATION DATED DECEMBER 1, 2017 ISSUED BY THE NATIONAL HOUSING BANK (NHB) UNDER SECTION 29A OF THE NATIONAL HOUSING BANK ACT, 1987. HOWEVER, THE NHB DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINION EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/DISCHARGE OF LIABILITIES BY THE COMPANY.

Disclaimer Clause of RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED FEBRUARY 12, 2020 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 29A OF THE NATIONAL HOUSING BANK ACT, 1987 WHICH WAS ISSUED IN LIEU OF THE CERTIFICATE OF REGISTRATION DATED DECEMBER 1, 2017 ISSUED BY NHB. HOWEVER, THE RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINION EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/DISCHARGE OF LIABILITIES BY THE COMPANY.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, A. K. CAPITAL SERVICES LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED, JM FINANCIAL LIMITED AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED HAVE CERTIFIED THAT DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE

FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, A. K. CAPITAL SERVICES LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED, JM FINANCIAL LIMITED AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND CONFIRM THAT COMMENTS RECEIVED ON THE DRAFT SHELF PROSPECTUS WILL BE SUITABLY ADDRESSED BEFORE FILING THE SHELF PROSPECTUS AND TO THIS EFFECT, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JUNE 30 2021, WHICH READS AS FOLLOWS:

- 1. WE CONFIRM THAT NEITHER THE COMPANY NOR ITS PROMOTER 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 TRANCHE I PROSPECTUS READ TOGETHER WITH THE SHELF PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN THE SHELF PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE TRANCHE I ISSUE OR RELATING TO THIS TRANCHE 1 ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THE TRANCHE 1 ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE TRANCHE I ISSUE WILL BE GIVEN.**
- 3. WE CONFIRM THAT THE TRANCHE I PROSPECTUS READ TOGETHER WITH THE SHELF PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED.**
- 4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED, SECURITIES CONTRACTS (REGULATION) ACT, 1956, AS AMENDED, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992, AS AMENDED, AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.**

Further, no comments/complaints were received on the Draft Shelf Prospectus filed by the Company on March 31, 2021 with BSE Limited, being the Designated Stock Exchange.

Disclosures in accordance with the DT Circular

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:

- (a) The Debenture Trustee has agreed for a lumpsum fee amounting to ₹ 7,50,000 and annual charges of ₹ 2,50,000 (plus the applicable taxes) for the services as agreed in terms of the offer letter dated October 15, 2020.
- (b) 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 prospectus and the applicable laws, has been obtained;
- (c) 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;
- (d) 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;
- (e) 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;

- (f) Our Company has agreed that the Issue proceeds shall be kept in the public issue account with a scheduled commercial bank and shall not be utilised by the Company until the Debenture Trust Deed and the relevant security documents are executed and until the listing and trading approval in respect of the NCDs is obtained by our Company; and
- (g) 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.

Other confirmations

The Debenture Trustee undertakes that the securities 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 them.

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 circulars titled (i) "Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)" dated November 3, 2020; and (ii) "Monitoring and Disclosures by Debenture Trustee(s)" dated November 12, 2020.

IDBI TRUSTEESHIP SERVICES LIMITED HAVE FURNISHED TO STOCK EXCHANGES A DUE DILIGENCE CERTIFICATE MARCH 30, 2021, AS PER THE FORMAT SPECIFIED IN ANNEXURE A TO THE DT CIRCULAR WHICH READS AS FOLLOWS:

1. **WE HAVE EXAMINED DOCUMENTS PERTAINING TO THE SAID ISSUE AND OTHER SUCH RELEVANT DOCUMENTS, REPORTS AND CERTIFICATIONS.**
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, REPORTS AND CERTIFICATIONS, 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.**
 - 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 OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM AND ALL DISCLOSURES MADE IN THE OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM 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.), OFFER DOCUMENT OR PRIVATE PLACEMENT MEMORANDUM/ INFORMATION MEMORANDUM.**
 - 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.**

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

Our Company undertakes that it shall submit the due diligence certificate from Debenture Trustee to the Stock Exchange as per format specified in Annexure A of the DT Circular.

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN, VIDE IT'S APPROVAL LETTER DATED APRIL 09, 2021, PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF

DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

- A. WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS OFFER DOCUMENT; OR**
- B. WARRANT THAT THIS COMPANY'S SECURITIES WILL BE LISTED OR WILL CONTINUE TO BE LISTED ON THE EXCHANGE; OR**
- C. TAKE ANY RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THIS COMPANY, ITS 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, VIDE ITS LETTERS REF.: NSE/LIST/D/2021/0039 DATED APRIL 09, 2021, AND REF: NSE/LIST/C/2021/0435 DATED JUNE 28, 2021 GIVEN PERMISSION TO THE ISSUER TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS ISSUER'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS ISSUER.

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

Track record of past public issues handled by the Lead Managers

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

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

Listing

An Application will be made to the Stock Exchanges simultaneously with the filing of the Shelf Prospectus for permission to deal in and for official quotation in NCDs. BSE has been appointed as the Designated Stock Exchange.

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 the 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 mentioned above are taken within six Working Days from the date of closure of this Tranche I Issue.

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

Consents

Consents in writing of: (a) our Directors, (b) Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) the Debenture Trustee to the Issue, (g) Legal Advisor to the Issue, (h) Credit Rating Agencies, (i) Banker to our Company (j) Bankers to the Issue (k) CRISIL Limited in relation to use of the contents of the industry report, (l) the Debenture Trustee to the Issue, (m) Consortium Members to act in their respective capacities, have been obtained and will be filed along with a copy of the Shelf Prospectus and Tranche I Prospectus with the RoC.

The consent of the Statutory Auditors of our Company, B S R & Co. LLP, Chartered Accountants, Mumbai, for (a) inclusion of their names as the Statutory Auditors, (b) examination report on Reformatted Financial Information under IGAAP; and (c) examination report on Reformatted Financial Information under Ind AS in the form and context in which they appear in this Tranche I Prospectus along with the statement of possible tax benefits, have been obtained and has not withdrawn such consent and the same will be filed along with a copy of the Shelf Prospectus.

Expert Opinion

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

Vide letter June 30, 2021, the Statutory Auditors of our Company, have given their consent to include their name as required under Section 26(1) of the Companies Act, 2013 read with SEBI Debt Regulations in this Tranche I Prospectus and as an “expert” as defined under section 2(38) of the Companies Act, 2013 to the extent and in their capacity as a current statutory auditor and to include the report on Reformatted Financial Information under IGAAP dated June 30, 2021 and the report on Reformatted Financial Information under Ind AS dated June 30, 2021 and (ii) the statement of possible tax benefits issued by our Statutory Auditors dated March 30, 2021, our Company has not obtained any other expert opinion with respect to the Tranche I Prospectus.

Common form of Transfer

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

Minimum Subscription

In terms of the SEBI Debt Regulations for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue (i.e. Rs. 15,000 lakhs). If our Company does not receive the minimum subscription of 75% of the Base Issue (i.e. Rs. 15,000 lakhs), prior to the Tranche I Issue Closing Date, the entire subscription amount shall be unblocked in the ASBA Accounts of the Applicants within six Working Days from the Tranche I Issue Closing Date. In the event the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Account(s) of the Applicants within six 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 has not been subscribed or received, as applicable, within the specified period, the application money received is to be unblocked/credited only to the bank account in/from which the subscription was blocked/remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard, including circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 issued by SEBI, UPI Mechanism Circular and Debt ASBA Circular.

Filing of the Draft Shelf Prospectus

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

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

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

Underwriting

This Tranche I Issue will not be underwritten.

Reservation

No portion of this Tranche I Issue has been reserved.

Previous public issue

Our Company has not made any public issues of securities since its incorporation.

Utilisation details of previous issues by our Company

Our Company has issued non-convertible debentures by way of various private placements, for which, our Company has utilised the proceeds from such issuances for, among others, its various financing activities, to repay its existing loans and for its business operations, for further details of such non-convertible debentures, see "*Disclosures on Existing Financial Indebtedness*" beginning on page 150 of the Shelf Prospectus.

Our Company undertook a rights issue of ₹ 30,000 lakhs to PFL on September 8, 2017 in order to commence, strengthen and scale-up the housing finance business of our Company. For further details, see "*Capital Structure*" beginning on page 59 of the Shelf Prospectus.

A. Details regarding lending out of issue proceeds of Previous Issues

Lending Policy

Please see "*Our Business - Lending policies and procedures*" on page 117 of the Shelf Prospectus.

B. Loans given by our Company

As of March 31, 2021, there are no loans given by our Company that are outstanding towards associates, entities / persons related to the Board, senior management, Promoter or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

C. Types of loans

Denomination of loans outstanding by ticket size as on March 31, 2021:

Sr No	Ticket Size	AUM (In ₹ lakhs)	% of AUM
1.	Up to 1 crore	2,69,274	8.3%
2.	1- 5 crore	1,16,109	3.6%
3.	5-25 crore	80,802	2.5%
4.	25-100 crore	5,10,711	15.8%
5.	> 100 crore	22,58,460	69.8%
	Total	32,35,356	100%

Denomination of retail loans outstanding by LTV as on March 31, 2021:

LTV band	Outstanding amount (In ₹ lakhs)	%
Less than 40%	28,512	6.4%
Between 40-50%	28,655	6.5%

Between 50-60%	42,839	9.7%
Between 60-70%	86,472	19.5%
Between 70-80%	1,66,006	37.5%
More than 80%	81,207	18.3%
NA	9,437	2.1%
Total	4,43,127	100%
* NA- Unsecured Loans (Consumer Durable, Personal Loan, Micro Finance)		
Note: LTV calculation is based on market value		

Denomination of Wholesale loans outstanding by LTV as on March 31, 2021:

For wholesale lending, in ordinary course of business, LTV is not applicable.

Geographical classification of borrowers as on March 31, 2021:

Sr No	States	AUM (In ₹ lakhs)	% of AUM
1	Maharashtra	16,89,300	52%
2	Karnataka	6,27,101	19%
3	Delhi	3,94,122	12%
4	Tamil Nadu	3,27,675	10%
5	Gujarat	81,953	3%
6	Telangana	63,742	2%
7	West Bengal	13,526	0%
8	Rajasthan	9,335	0%
9	Uttar Pradesh	5,901	0%
10	Madhya Pradesh	5,557	0%
11	Chandigarh	3,845	0%
12	Haryana	3,630	0%
13	Andhra Pradesh	2,718	0%
14	Punjab	1,814	0%
15	Kerala	1,268	0%
16	Chhattisgarh	1,070	0%
17	Bihar	962	0%
18	Orissa	741	0%
19	Uttarakhand	677	0%
20	Jharkhand	342	0%
21	Pondicherry	45	0%
22	Tripura	27	0%
23	Himachal Pradesh	5	0%

Types of loans according to sectoral exposure as on March 31, 2021 is as follows:

S. No	Segment- wise breakup of AUM	AUM (In ₹ lakhs)	Percentage of AUM
1	Retail		
A.	Retail loan	4,43,127	13.7%
2	Wholesale		
A.	Real Estate	25,10,008	77.6%
B.	Renewables	2,15,143	6.6%
C.	Logistics	21,734	0.7%
D.	Auto	21,027	0.6%
E.	Hospitality	10,474	0.3%
F.	Education	7,723	0.2%
G.	Packaging	3,031	0.1%
H.	Manufacturing	1,482	0.0%
I.	Pharma	1,605	0.0%
	Total	32,35,356	100%

D. **Aggregated exposure to top 20 borrowers (client groups) with respect to concentration of advances as on March 31, 2021**

	Amount
Total Advances to twenty largest borrowers (in ₹ lakh)*	16,58,770
Percentage of Advances to twenty largest borrowers to Total Advances (in %)	51.27%

*Includes loans and advances and interest accrued thereon.

E. Aggregated exposure to top 20 borrowers (client groups) with respect to concentration of exposures as on March 31, 2021

	Amount
Total exposure to twenty largest borrowers / customers (in ₹ lakh)*	18,33,859
Percentage of exposures to twenty largest borrowers / customers to total exposure on borrowers / customers (in %)	48.82%

* Includes loans and advances, interest accrued thereon, and off-balance sheet exposure.

F. Details of loans overdue and classified as non – performing in accordance with the RBI guidelines

Movement of gross NPAs	Amount (in ₹ lakh)
(a) Opening balance as on April 1, 2020	73,701
(b) Additions during the year	47,469
(c) Reductions during the year	9,383
(d) Closing balance as on March 31, 2021	1,11,787

Movement of provisions for NPAs	Amount (in ₹ lakh)
(a) Opening balance as on April 1, 2020	26,246
(b) Provisions made during the year	29,185
(c) Write-off / write -back of excess provisions	1,590
(d) closing balance as on March 31, 2021	53,841

G. Segment –wise gross NPA as on March 31, 2021

S. No	Segment- wise breakup of gross NPA	Amount (In lakhs)	(%)
1	Retail		
a	Retail loan	5,917	5.29%
2	Wholesale		
a	Real Estate	71,897	64.32%
b	Auto	17,267	15.45%
c	Education	7,723	6.91%
d	Logistics	7,500	6.71%
e	Manufacturing	1,483	1.33%
	Total	1,11,787	100%

H. Classification of loans & advances as on March 31, 2021

S. No	Type of loans	Amount (₹ in lakh)	Percentage
1	Secured	32,25,919	99.71%
2	Unsecured	9,437	0.29%
	Total AUM	32,35,356	100%

I. Promoter Shareholding

Please see, "Capital Structure" beginning on page 59 of the Shelf Prospectus for details with respect to Promoter shareholding in our Company as on the date of the Shelf Prospectus.

J. Residual maturity profile of assets and liabilities as on March 31, 2021

	1	2	3	4	5	6	7	8	9	10	11	Total
Bucket	1-14days	Over 14days to 1m	Over 1m to 2m	Over 2m to 3m	Over 3m to 6m	Over 6m to 1 yr	Over 1 yr to 3yrs	Over 3yrs to 5yrs	Over 5yrs to 7yrs	Over 7yrs to 10yrs	Over 10yrs and above	In ₹ lakhs
Outflow	71.79	695.87	396.78	1,331	2356.56	4,902.56	13,014.76	12,222.04	3,840.82	926.65	22,704.96	62,463.77

	1	2	3	4	5	6	7	8	9	10	11	Total
Bucket	1-14 days	Over 14 days to 1m	Over 1m to 2m	Over 2m to 3m	Over 3m to 6m	Over 6m to 1 yr	Over 1 yr to 3yrs	Over 3yrs to 5yrs	Over 5yrs to 7yrs	Over 7yrs to 10yrs	Over 10yrs and above	In ₹ lakhs
Cumulative Outflow ---(A)	71.79	767.65	1,164.43	2,495.43	4,851.99	9,754.55	22,769.31	34,991.35	38,832.16	39,758.81	62,463.77	-
Inflow	4,043.778	2,670.668	138.123	606.607	2,044.573	4,074.154	22,271.591	16,647.303	3,680.201	1,889.970	16,601.544	74,668.54
Cumulative Inflow	4,043.778	6,714.47	6,852.59	7,459.20	9,503.77	13,577.93	35,849.52	52,496.82	56,177.02	58,066.99	74,668.54	-
Mismatch	3,971.99	1,974.82	-258.66	-724.39	-311.99	-828.40	9256.83	4,425.27	-160.62	963.32	-6103.42	12,204.77
Mismatch % of Liability	5532.79%	283.79%	-65.19%	-54.42%	-13.24%	-16.90%	71.13%	36.2%	-4.18%	103.96%	-26.88%	-
Cumulative Mismatch --- (B)	3,971.99	5,946.82	5,688.16	4,963.77	4,651.78	3,823.38	13,080.21	17,505.48	17,344.86	18,308.18	12,204.77	-
Cumulative Mismatch % (B/A)	5533.17%	774.68%	488.49%	198.91%	95.87%	39.20%	57.45%	50.03%	44.67%	46.05%	19.54%	-

K. Onward lending to borrowers forming part of the “group” as defined by RBI

There is no onward lending to borrowers forming part of the “group” as defined by RBI.

Utilisation details of previous issues by the group companies

Except as disclosed below, none of our group companies have undertaken any public issue or rights issue of securities in the immediately preceding last five Financial years:

1. Piramal Securities Limited

S. No.	Mode of issuance	Date of Allotment	No. of equity shares	Amount (₹ lakh)	Utilization
1.	Rights Issue	September 17, 2018	50,00,000	500	Working capital purposes
2.	Rights Issue	January 21, 2019	50,00,000	500	Working capital purposes
3.	Rights Issue	May 27, 2019	50,00,000	500	Working capital purposes
4.	Rights Issue	August 23, 2019	50,00,000	500	Working capital purposes
5.	Rights Issue	December 24, 2019	70,00,000	700	Working capital purposes

2. PHL Fininvest Private Limited

S. No.	Mode of issuance	Date of Allotment	No. of equity shares	Amount (₹ lakh)	Utilization
1.	Rights Issue	August 28, 2018	13,57,03,623	99,999.99	Onward lending and business operations
2.	Rights Issue	September 14, 2018	6,78,51,811	49,999.99	Onward lending and business operations

Auditors’ remarks

The Statutory Auditors, confirm that there have been no reservations or qualifications or adverse remarks in the Financial Statements of our Company in the last four financial years immediately preceding the date of the Shelf Prospectus.

For details in relation to emphasis of matter, see “*Financial Information*” on page 276 of the Shelf 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.

Caution

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

“Any person who:

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

Dividend

Our Company has no stated specific dividend policy. Our Company has not declared or paid any dividend in FY 2021. Except for the interim dividend of an aggregate of ₹ 49,668 lakhs declared and paid by our Company for Fiscal 2020, our Company has not declared or paid any dividend since its incorporation.

Revaluation of assets

Our Company has not revalued its assets since its incorporation.

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 between the Registrar to the Issue and our Company will provide for retention of records with the Registrar for a period of at least eight years from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar for redressal of their grievances. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of NCDs applied for, amount paid on Application, Depository Participant and the collection centre of the Members of the Consortium 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 Applicant, or (b) the concerned Member of the Consortium and the relevant Designated Branch of the SCSB in the event of an Application submitted by an Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, amount blocked on Application. All grievances related to the UPI process may be addressed to the Stock Exchange, 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 Designated Intermediaries may be addressed directly to the Stock Exchange. The contact details of Registrar to the Issue are as follows:

Registrar to the Issue

Link Intime India Private Limited

Address: C-101, 247 Park, LBS Marg

Vikhroli (West), Mumbai 400 083

Maharashtra, India

Tel: (91 22) 4918 6200

Fax: (91 22) 4918 6195

Email: piramal.ncd@linkintime.co.in

Investor grievance email: piramal.ncd@linkintime.co.in

Website: www.linkintime.co.in

Contact person: Shanti Gopalkrishnan

Compliance officer: Mr. B.N. Ramkrishnan

SEBI Registration No.: INR000004058

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

Bipin Singh is the Company Secretary and Compliance Officer of our Company for this Issue. The contact details of Compliance Officer of our Company are as follows:

4th Floor, Piramal Tower,
Peninsula Corporate Park,
Ganpatrao Kadam Marg, Lower Parel,
Mumbai, Maharashtra- 400013
Tel: (91 22) 3046 5903
Fax: (91 22) 6151 3444
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 Advice, demat credit or refund orders.

Change in Auditors of our Company since its incorporation

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

Name	Address	Date of Appointment / Resignation	Auditor of the Company since (in case of resignation)
B S R & Co. LLP	14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center Western Express Highway, Goregaon (East), Mumbai 400 063	Appointed with effect from April 1, 2017	-

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 which are or may be deemed material shall be attached to the copy of the Shelf Prospectus to be delivered to the RoC. 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 during which this Tranche I Issue is open for public subscription under this Tranche I Prospectus.

A. *Material Contracts*

1. Issue Agreement dated March 25, 2021 between our Company and the Lead Managers.
2. Registrar Agreement dated March 30, 2021 between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated March 30, 2021 executed between our Company and the Debenture Trustee.
4. Agreed form of Debenture Trust Deed to be executed between our Company and the Debenture Trustee.
5. Public Issue Account and Sponsor Bank Agreement dated June 29, 2021 executed between our Company, the Lead Managers, the Refund Bank, the Public Issue Account Bank, the Sponsor Bank and the Registrar.
6. Consortium agreement dated June 29, 2021 between our Company and Members of the Consortium.
7. Tripartite agreement between our Company, Registrar to the Issue and CDSL dated March 22, 2021.
8. Tripartite agreement between our Company, Registrar to the issue and NSDL dated October 9, 2017.

B. *Material Documents*

1. Certificate of incorporation of our Company dated February 13, 2017 issued by Registrar of Companies, Central Registration Centre.
2. Certificates of incorporation of our Company dated October 17, 2017 and June 12, 2018 issued by Registrar of Companies, Maharashtra at Mumbai.
3. Memorandum of Association and Articles of Association of our Company.
4. The certificate of registration dated December 1, 2017, bearing registration number 12.0163.17 by the NHB to carry on the business of a housing finance institution without accepting public deposits in accordance with Section 29A of the NHB Act.
5. The certificate of registration dated February 12, 2020, bearing registration number DOR-00163 by the RBI to carry on the business of a housing finance institution without accepting public deposits under the NHB Act.
6. Credit rating letter dated March 24, 2021, revalidation letter dated June 23, 2021 and credit rating rationale dated March 25, 2021 from CARE Limited assigning a rating of “CARE AA (CWD) (Double A) (Under Credit Watch with Developing Implications)” to the NCDs.
7. Credit rating letter dated March 23, 2021, revalidation letter dated June 24, 2021 and credit rating rationale dated March 29, 2021 from ICRA Limited assigning a rating of “[ICRA] AA (pronounced as ICRA double A) (Outlook: Negative)” to the NCDs.
8. Copy of the resolution passed at a meeting of Board of Directors held on February 25, 2020 authorising this Issue for an amount aggregating up to the Shelf Limit.
9. Copy of resolution passed at a meeting of the Committee of Directors (Administration, Authorization & Finance) held on March 30, 2021 approving the Draft Shelf Prospectus.
10. Copy of resolution passed at a meeting of the Committee of Directors (Administration, Authorization & Finance) held on June 30, 2021 approving the Shelf Prospectus and this Tranche I Prospectus.
11. Resolution passed by our Shareholders, pursuant to Section 180 (1)(c) of the Companies Act, 2013, at the EGM held June 11, 2018, approving the overall borrowing limit of our Company.
12. Consent letter dated March 22, 2021 from CRISIL Limited in respect of permission to use and disclose the contents (along with the extracts of the content) of the industry report titled ‘CRISIL Research – NBFC Report 2020 released in Mumbai in December 2020’ for the section on ‘Industry Overview’ in the Shelf Prospectus.

13. Consents of our Directors, Lead Managers to the Issue, Chief Financial Officer, Company Secretary and Compliance Officer, Debenture Trustee to the Issue, Credit Rating Agencies for this Issue, Banker to our Company, Bankers to the Issue, Legal Advisor to the Issue, Consortium Members and the Registrar to the Issue , to include their names in this Tranche I Prospectus in their respective capacity.
14. The consent of the Statutory Auditors of our Company, namely B S R & Co. LLP., for inclusion of: (a) their names as the Statutory Auditors and as "experts" as defined under Section 2(38) of the Companies Act, (b) examination report on Reformatted Financial Statements; and (c) the statement of possible tax benefits available to the debenture holders in the form and context in which they appear in this Tranche I Prospectus.
15. The examination report of the Statutory Auditors dated June 30, 2021 in relation to the Reformatted Financial Statements under IGAAP included herein.
16. The examination report of the Statutory Auditors dated June 30, 2021 in relation to the Reformatted Financial Statements under Ind AS included herein.
17. Statement of possible tax benefits dated March 30, 2021 issued by our Statutory Auditors.
18. Annual reports of our Company for the financial years ended March 31, 2020, 2019, 2018 and 2017.
19. Due diligence certificate dated June 30, 2021 filed by the Lead Managers with SEBI.
20. Due diligence certificate dated March 30, 2021 from the Debenture Trustee to the Issue.
21. In-principle approval dated April 9, 2021 for the Issue issued by BSE by way of its letter bearing reference number DCS/BM/PI-BOND/003/21-22 dated April 9, 2021.
22. In-principle approval dated April 9, 2021 for the Issue issued by NSE by way of its letters bearing reference number NSE/LIST/D/2021/0039 and dated June 28, 2021 bearing reference number NSE/LIST/C/2021/0435 thereby extending the validity of the in-principle approval.


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


DECLARATION

We, the Directors of the Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including relevant provisions of the Companies Act, 2013, as amended and the rules prescribed thereunder, to the extent applicable as on this date, the Securities Contracts (Regulation) Act, 1956, as amended, the rules, regulations, guidelines and circulars issued by the Government of India, the rules, regulations, guidelines and circulars issued by the National Housing Bank, the Reserve Bank of India, and the rules, regulations, guidelines and circulars issued by Securities and Exchange Board of India including, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, 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, have been complied with and no statement made in this Tranche I Prospectus is contrary to the relevant provisions of any rules, regulations, guidelines and circulars as applicable to this Tranche I Prospectus.

Furthermore, we certify that all disclosures and statements in this Tranche I Prospectus are in compliance with all applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading and that this Tranche I Prospectus does not contain any misstatements.

Signed by the Board of Directors of the Company:

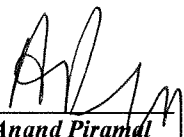

Ajay Piramal
Non-Executive Director and Chairman
DIN: 00028116


Dr. Swati Piramal
Non-Executive Director
DIN: 00067125

Gautam Doshi
Independent Director
DIN: 00004612

Khushru B. Jijina
Managing Director
DIN: 00209953

Suhail Nathani
Independent Director
DIN: 01089938


Anand Piramal
Non-Executive Director
DIN: 00286085

Deepak Satwalekar
Independent Director
DIN: 00009627

Date: 30th June 2021

Place: Mumbai

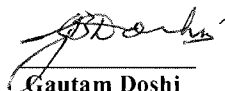
DECLARATION

We, the Directors of the Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including relevant provisions of the Companies Act, 2013, as amended and the rules prescribed thereunder, to the extent applicable as on this date, the Securities Contracts (Regulation) Act, 1956, as amended, the rules, regulations, guidelines and circulars issued by the Government of India, the rules, regulations, guidelines and circulars issued by the National Housing Bank, the Reserve Bank of India, and the rules, regulations, guidelines and circulars issued by Securities and Exchange Board of India including, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, 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, have been complied with and no statement made in this Tranche I Prospectus is contrary to the relevant provisions of any rules, regulations, guidelines and circulars as applicable to this Tranche I Prospectus.

Furthermore, we certify that all disclosures and statements in this Tranche I Prospectus are in compliance with all applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading and that this Tranche I Prospectus does not contain any misstatements.

Signed by the Board of Directors of the Company:

Ajay Piramal
Non-Executive Director and Chairman
DIN: 00028116



Gautam Doshi
Independent Director
DIN: 00004612

Dr. Swati Piramal
Non-Executive Director
DIN: 00067125

Khushru B. Jijina
Managing Director
DIN: 00209953

Suhail Nathani
Independent Director
DIN: 01089938

Anand Piramal
Non-Executive Director
DIN: 00286085



Deepak Satwalekar
Independent Director
DIN: 00009627

Date: 30th June 2021

Place: Mumbai

DECLARATION

We, the Directors of the Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including relevant provisions of the Companies Act, 2013, as amended and the rules prescribed thereunder, to the extent applicable as on this date, the Securities Contracts (Regulation) Act, 1956, as amended, the rules, regulations, guidelines and circulars issued by the Government of India, the rules, regulations, guidelines and circulars issued by the National Housing Bank, the Reserve Bank of India, and the rules, regulations, guidelines and circulars issued by Securities and Exchange Board of India including, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, 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, have been complied with and no statement made in this Tranche I Prospectus is contrary to the relevant provisions of any rules, regulations, guidelines and circulars as applicable to this Tranche I Prospectus.


Furthermore, we certify that all disclosures and statements in this Tranche I Prospectus are in compliance with all applicable legal requirements and are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, false or misleading and that this Tranche I Prospectus does not contain any misstatements.

Signed by the Board of Directors of the Company:

Ajay Piramal
Non-Executive Director and Chairman
DIN: 00028116

Dr. Swati Piramal
Non-Executive Director
DIN: 00067125

Gautam Doshi
Independent Director
DIN: 00004612



Khushru B. Jijina
Managing Director
DIN: 00209953



Sunil Nathani
Independent Director
DIN: 01089938

Anand Piramal
Non-Executive Director
DIN: 00286085

Deepak Satwalekar
Independent Director
DIN: 00009627

Date: 30th June 2021

Place: Mumbai

ANNEXURE A1

ICRA RATING LETTER AND RATING RATIONALE

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CONFIDENTIAL

Ref: MUM/20-21/3582

Date: March 23, 2021

Mr. Sachin Deodhar
Chief Financial Officer
Piramal Capital & Housing Finance Limited
Piramal Tower, A Wing, Second Floor,
G. K. Marg, Lower Parel,
Mumbai – 400 013.

Dear Sir,

Re: ICRA Credit Rating for the Rs. 2,000 crore Retail Non-Convertible Debenture (NCD) of Piramal Capital & Housing Finance Limited.

Please refer to the Rating Agreement/Statement of Work dated March 11, 2021 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 **Negative**.

In any of your publicity material or other document wherever you are using the above assigned rating, it should be stated as **[ICRA]AA (Negative)**. 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 March 26, 2021 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.



Enclosed herewith is a copy of the rationale of the assigned rating for your reference. Please respond with your comments, if any, within the aforesaid timeline of March 26, 2021.

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

KARTHIK SRINIVASAN

2021.03.23 21:30:01 +05'30'

Authorised Signatory

KARTHIK SRINIVASAN

Senior Vice President

karthiks@icraindia.com

Encl: Rating Rationale

Acknowledgement

(To be signed and returned to ICRA Limited)

Please refer to your rating communication letter dated March 23, 2021, 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 Capital & Housing Finance Limited.

For Piramal Capital & Housing Finance Limited

Name:

Designation:

Date:

Note: Please return a copy of the above communication along with the acknowledgement to ICRA Limited at ICRA Limited, 4th Floor, Electric Mansion, Prabhadevi, Mumbai – 400 025 or shreekiran.rao@icraindia.com

March 29, 2021

Piramal Capital & Housing Finance Limited: [ICRA]AA (Negative) assigned to Retail Non-convertible Debenture Programme; PP-MLD[ICRA]AA (Negative) assigned to Long-term Principal Protected Market Linked Debenture Programme

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Retail Non-convertible Debenture (NCD) Programme	-	2,000	[ICRA]AA (Negative); Assigned
Long-term Principal Protected Market Linked Debenture {MLD (PP)} Programme	-	500	PP-MLD [ICRA]AA (Negative); Assigned
NCD Programme	3,395	3,395	[ICRA]AA (Negative); Outstanding
Subordinated (Tier-II) Bonds	1,500	1,500	[ICRA]AA (Negative); Outstanding
Long-term Fund-based Limits	1,625	1,625	[ICRA]AA (Negative); Outstanding
Long-term Term Loans	8,400	8,400	[ICRA]AA (Negative); Outstanding
Total	14,920	17,420	

* Instrument details are provided in Annexure-1

PP-MLD refers to the principal protected market linked debenture programme. According to the terms of the rated market linked debentures, the amount invested, i.e. the principal, is protected against erosion while the returns on the investment could vary as they are linked to movements in one or more variables such as equity indices, commodity prices, and/or foreign exchange rates. The assigned rating expresses ICRA's current opinion on the credit risk associated with the issuer concerned. The rating does not address the risks associated with variability in returns resulting from adverse movements in the variable(s) concerned.

Rationale

To arrive at the ratings, ICRA has analysed the consolidated business and financial performances of the financial services business of Piramal Enterprises Limited (PEL)¹, the parent company of Piramal Capital & Housing Finance Limited (PCHFL). The assigned ratings take into account the healthy capitalisation profile of PEL's financial services business (PEL FS) with a net worth of Rs. 17,384 crore as on December 31, 2020, supported by regular capital infusions by PEL. PEL raised ~Rs. 14,500 crore of equity in FY2020 through fresh equity issuances and sale of non-core assets, and a part of these funds was used to provide equity (~Rs. 3,700 crore infused into PEL FS in FY2020) and funding support (in the form of inter-corporate deposits [ICDs]) to PEL FS. In addition, PEL FS has taken several measures to elongate its funding (debt maturity) profile. It raised long-term funds (other than equity) of ~Rs. 13,500 crore in FY2020 and ~Rs. 13,921 crore in 9M FY2021 and reduced the share of commercial paper (CP) significantly in its overall borrowings (~3% of total debt as on December 31, 2020 compared to ~35% as on September 30, 2018). PEL FS continues to explore fresh funding avenues and is in the process of tying up a sizeable amount of long-term funds to support its liquidity and growth. The ratings also take into account PCHFL's established position and track record in the real estate lending segment, the promoter group's domain experience given its presence across the real estate industry value chain, and the experienced leadership team.

The ratings are, however, constrained by the heightened concerns over the asset quality, given the high sectoral concentration (real estate) and slower-than-expected reduction in client concentration in a challenging environment. The real estate sector

¹ PEL's financial services business includes PCHFL, PHL Fininvest Private Limited (PHL Fininvest) and the residual loan book in PEL

has been facing a prolonged slowdown due to subdued sales and lack of funding access. The pandemic and the resulting nationwide lockdown further impacted the sector. ICRA notes that a sustained pick-up in sales across geographies is key for the developers over the medium term. ICRA notes that PEL FS has hitherto maintained a healthy asset quality though the same deteriorated in the recent past with the gross non-performing assets (GNPAs) increasing to 3.7% of the loan book as of December 31, 2020 (2.4% of the loan book as on March 31, 2020) from 0.9% as on March 31, 2019. ICRA has taken note of the company's monitoring and risk management systems as well as its efforts towards asset sales for reducing the portfolio concentration and shoring up the liquidity. ICRA will continue to monitor the collections over the near term.

PEL FS' retail lending (home loans) segment has posted a moderate growth over the past three years, with home loans accounting for ~11% of the total book as on December 31, 2020. ICRA takes note of PCHFL's emergence as the successful resolution applicant for Dewan Housing Finance Limited (DHFL), as approved by the committee of creditors (CoC) of DHFL, subject to various regulatory and statutory approvals including that from the National Company Law Tribunal (NCLT), Mumbai bench. ICRA notes that the successful completion of the transaction would result in a material improvement in the diversification and granularity of PCHFL's asset profile. However, the performance and quality of DHFL's loan portfolio over the medium term remains uncertain, which in turn would have a bearing on the asset quality of the combined entity (PCHFL + DHFL). Given the significant size of the acquisition in relation to PCHFL's current scale of operations, ICRA will continue to engage with PCHFL's management to understand the exact contours of the transaction and its impact on PCHFL's credit profile.

The Negative outlook reflects the subdued operating environment and the portfolio vulnerability, which are expected to persist over the near-to-medium term. These challenges could impact PEL FS' asset quality and profitability. The risk-averse sentiment of domestic investors persists towards non-banks with developer loan exposure which has resulted in challenges in fund raising and an increase in the cost of funds. The company's ability to raise capital from diverse sources and at competitive terms, on a sustained basis, would remain a monitorable.

Key rating drivers and their description

Credit strengths

Domain expertise and financial flexibility for being a part of the Piramal Group; established position in real estate lending – PCHFL draws strength from the Group's technical expertise, given its experience in real-estate-based private equity investment, advisory services and the development space. Further, given the long experience of the Group in the real estate segment, the company leverages the large network of developers with relationships built over a period. The Group's demonstrated ability to incubate and scale up new ventures also provide comfort. As on December 31, 2020, PEL FS had a consolidated loan book of Rs. 46,370 crore, representing a decline of ~10% compared to Rs. 51,429 crore as on December 31, 2019. The real estate exposure stood at ~Rs. 35,421 crore as on December 31, 2020, making the Group one of the leading lenders to the real estate segment.

Adequate capitalisation supported by capital infusion from the parent – The capitalisation of the financial services subsidiaries of PEL (including PCHFL) has been supported by regular capital infusions from the parent. In FY2020, PEL raised ~Rs. 14,500 crore of equity funds through a mix of avenues like preferential issue (Rs. 1,750 crore in December 2019), rights issue (Rs. 3,650 crore in January 2020), divestment (Rs. 2,300 crore raised through stake sale in Shriram Transport in June 2019) and selling of non-core businesses (Rs. 6,750 crore raised through sale of the DRG business in February 2020). Of the total funds raised, Rs. 3,700 crore was infused into PEL FS (Rs. 1,400 crore was infused into PCHFL and Rs. 2,060 crore was infused into PHL Fininvest). Supported by the equity infusion, PEL FS' tangible net worth (net of goodwill on amalgamation) grew by ~36% in FY2020 to Rs. 15,599 crore and the capitalisation ratio (CRAR²) was adequate at 31% as on March 31, 2020. This, coupled with the moderation in the loan book and hence in borrowings, resulted in an improvement in PEL FS' net gearing to 2.3 times as on March 31, 2020 from 3.9 times as on March 31, 2019. As on December 31, 2020, the net worth stood at Rs. 17,384 crore and the CRAR was ~37%, while the net gearing improved to 1.9 times.

² CRAR: Capital to risk weighted assets ratio

PCHFL's standalone net worth increased to Rs. 11,233 crore as on December 31, 2020 (Rs. 10,195 crore as on March 31, 2020) from Rs. 9,274 crore as on March 31, 2019, while the gearing improved to 2.4 times from 3.5 times during the same period. As on December 31, 2020, PCHFL reported a CRAR of 35.83% (Tier I capital of 33.03%) compared to CRAR of 34.89% (Tier I capital of 32.06%) as on March 31, 2020. PEL maintained an unallocated capital pool of Rs. 10,482 crore as on March 31, 2020, which could be allocated to the financial services business, including PCHFL, if required.

PEL FS also has a moderately diversified resource profile with banks accounting for 59% of its borrowings, followed by foreign institutional investors/foreign portfolio investors (FII/FPI; 19%) and the balance from other sources including insurance companies, provident funds and mutual funds, among others, as on December 31, 2020. During Q3 FY2019 to Q3 FY2021, PEL FS' debt maturity profile was elongated with the share of short-term sources of funding (including revolving bank lines) declining to ~10% of the borrowings as on December 31, 2020 compared to ~42% as on September 30, 2018. The CP borrowings accounted for ~3% of PEL's total debt as on December 31, 2020 compared to ~35% as on September 30, 2018.

Experienced management team – ICRA also draws comfort from the experienced management team of the Group, which has a track record of successfully scaling up businesses. The Group has taken on board seasoned industry professionals with prior experience in retail lending to leverage their experience to lead the retail business, including the recently announced entry in the technology-driven consumer lending business. It has also engaged reputed and experienced external consultants for framing its credit policies and credit appraisal systems, expansion strategy and operational policies. PEL FS also has a strong focus on risk management, control systems and compliance processes, which provide comfort. Moreover, it has a dedicated asset monitoring team for monitoring and managing the post-disbursement performance of the loans and the overall portfolio quality.

Credit challenges

High sectoral and client concentration risks; slower-than-expected progress in loan book diversification – The loan book is concentrated towards the inherently risky real estate sector, albeit with a declining trend (~79% of the overall loan book as on December 31, 2020 compared to ~87% as on March 31, 2017). The early stages of development of some of the underlying projects and the loans given to the developers' holding company level (mezzanine debt) heighten the portfolio risk. Moreover, the top group exposures form a sizeable proportion of the overall loan book. PEL FS has, however, funded a bouquet of projects in some of these exposures, including projects with healthy sales tie-ups and finished stock, which provides comfort. Though a part of the wholesale loan book is under scheduled moratorium, PEL FS has been receiving sizeable prepayments from its loan portfolio over the years due to asset sell-down/refinancing and prepayment, providing some comfort to the asset quality. While the collections, including prepayments, were impacted in Q1 FY2021 due to the pandemic and the lockdown, the prepayments (including prepayments) improved in Q2 and Q3 FY2021. Further, the management has stated their intent to reduce PEL FS' top 10 group exposures significantly over the near term (from ~27% as on December 31, 2020) through asset sell-down/ refinancing.

While PEL FS has been diversifying its loan book over the past three years through its foray into new segments like housing finance and emerging corporate lending (ECL), the progress has been slower than expected. The housing loan disbursements reduced significantly from Q3 FY2020 as PEL FS decided to recalibrate its retail growth strategy amid the challenging operating environment and the subdued segmental profitability. This resulted in a lower-than-expected diversification and granularity of the book as of December 2020. The Group announced its entry in the technology-driven consumer lending business, which commenced operations in Q3 FY2021. ICRA notes that while the new business would help diversify the portfolio, the concentration and credit risks will remain high over the near term given the large real estate exposure. ICRA notes that the successful completion of the DHFL transaction would result in material improvement in the diversification and granularity of PCHFL's asset profile.

Current challenging operating environment for real estate, the key borrowing segment, may impact asset quality and profitability in the near term – Concerns over the asset quality have heightened, given the challenging operating environment for real estate developers due to the prolonged slowdown in sales and the funding constraints over the past two years. The pandemic and the resulting nationwide lockdown further impacted the sale of residential units. The pandemic has also impacted the commercial and the retail real estate segments. While the near-term pressure on the developers has been

mitigated due to the moratorium offered for their loan instalments under the Covid-19-related regulatory package announced by the RBI, a slow pick-up in sales will impact the cash flows of the developers over the medium term. PEL FS made additional provisions of Rs. 1,903 crore in Q4 FY2020 as a prudent measure to reflect the probable impact of the pandemic on the business. The equity allocation to PEL FS was also increased by Rs. 2,000 crore in March 2020 to cushion the impact of the increased portfolio vulnerability.

ICRA notes that PEL FS has maintained a healthy asset quality till now, though the same deteriorated in FY2020 and 9M FY2021, with the GNPA's increasing to 3.7% of the loan book as on March 31, 2020 (2.4% as on March 31, 2020) from 0.9% as on March 31, 2019. In addition, PEL FS has extended relief, from pandemic-related stress, to some of its borrowers in the form of one-time restructuring (OTR) and extension of date of commencement of commercial operations (DCCO). The presence of a collateral cover on such exposures, the expertise of the Group in the real estate segment and its emphasis on risk management and monitoring processes also provide comfort.

Fund-raising challenges for wholesale oriented non-bank financiers impacting business; ability to maintain asset and liability profile remains critical – PEL raised long-term debt (more than 1-year maturity) of ~Rs. 13,500 crore in FY2020 and ~Rs. 13,921 crore in 9M FY2021. While a sizeable quantum of funds has been raised, the cost of funds has increased since the September 2018 crisis. Although PEL FS has been able to pass on the cost increase to its customers to mitigate any risk on its margins, its market position (ability to capture attractive deals from reputed developers) has been impacted by the increase in the cost of funds. The Group's ability to consistently raise long-term funds and at adequate rates would remain critical.

Liquidity position: Adequate

As on December 31, 2020, PCHFL had unencumbered on-book liquidity of Rs. 2,713 crore compared to the debt repayment obligation (including interest and revolving lines) of Rs. 2,731 crore in Q4 FY2021. PCHFL's liquidity profile is, thus, adequate.

As on December 31, 2020, PEL FS had unencumbered on-book liquidity of Rs. 4,765 crore compared to debt repayment obligation (including interest and revolving lines) of Rs. 5,050 crore in Q4 FY2021. The opening liquidity covers ~69% of next six months' debt repayment. The company has sufficient borrowing programmes in the pipeline to meet the debt obligations. PEL's liquidity is, thus, adequate.

Rating sensitivities

Positive factors – The outlook may be revised to Stable if there is a significant and sustained improvement in resource mobilisation, with an increase in long-term fund raising from well diversified sources, and improved granularity of the asset profile. Timely implementation of the DHFL's resolution plan while maintaining an adequate capitalisation (gearing below 4 times for PEL FS) and a healthy asset quality (on-merged basis) could also result in a revision in the outlook to Stable.

Negative factors – ICRA could downgrade the rating if there is a material deterioration in PCHFL's asset quality³ (gross NPA of more than 5% of the loan book on a sustained basis, given the current portfolio mix), in turn affecting the financial profile of the company. The rating could also be downgraded if the operating environment continues to remain weak and the challenges in fund raising increase, resulting in a deterioration in PCHFL's liquidity profile. A material increase in PCHFL's non-performing assets (NPA), on a merged basis, owing to weaker-than-expected quality of assets being acquired from DHFL, could also lead to a rating downgrade.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Housing Finance Companies
Parent/Group Support	Financial support from PEL
Consolidation/Standalone	To arrive at the rating, ICRA has analysed the consolidated performance of PEL FS and has factored in the financial support available from PEL. ICRA has also factored in the financial flexibility available to PCHFL for being a part of the Piral Group

³ PCHFL's standalone asset quality (without DHFL merger)

About the company

Piramal Capital & Housing Finance Limited (PCHFL; erstwhile Piramal Housing Finance Limited or PHFL) was incorporated in February 2017 as a subsidiary of Piramal Finance Limited and received its housing finance licence in September 2017. With effect from March 31, 2018, Piramal Finance Limited and Piramal Capital Limited merged with PHFL (the name was changed subsequently to PCHFL), which became a direct subsidiary of PEL. The entire financial services business of PEL, including real estate lending, housing finance, the corporate finance group (CFG) and ECL, is housed under PCHFL and PHL Fininvest, a fellow subsidiary.

In FY2020, PCHFL reported a net profit of Rs. 30 crore on a total income of Rs. 5,623 crore compared to a net profit of Rs. 1,443 crore on a total income of Rs. 5,572 crore in FY2019. PCHFL's profit after tax (PAT) for FY2020 was impacted by an additional conservative provisioning of Rs. 1,249 crore (total provisioning of Rs. 1,929 crore) and a one-time write-off of deferred tax assets (DTA) and a minimum alternate tax (MAT) credit reversal of Rs. 373 crore. Excluding the impact of the additional provisioning, the DTA and MAT credit reversal, the normalised PAT would have been Rs. 1,338 crore in FY2020. PCHFL accounted for ~79% of PEL FS' net interest income in FY2020. In 9M FY2021, PCHFL reported a net profit of Rs. 1,064.63 crore on a total income of Rs. 3,886.24 crore.

Key financial indicators of PCHFL

Particulars	FY2019	FY2020	9M FY2021*
Net interest income (Rs. crore)	2,670	2,262	1,632
Total income (Rs. crore)	5,572	5,623	3,921
Profit after tax (Rs. crore)	1,443	30	1,065
Net worth (Rs. crore)	9,274	10,195	11,234
Loan book (Rs. crore)	41,033	35,261	30,812
Total assets** (Rs. crore)	42,532	42,291	39,643
Return on assets (%)	3.7%	0.1%	3.46%
Return on net worth (%)	16.8%	0.3%	13.25%
Gross NPA (%)	0.3%	2.1%	2.6%
Net NPA (%)	0.1%	1.3%	1.3%
Net NPA/Net worth (%)	0.6%	4.6%	3.6%
Gross gearing (times)	3.48	2.88	2.43
Tier 1 capital (%)	26.87%	32.06%	33.03%
CRAR (%)	29.9%	34.9%	35.83%

Source: Company, ICRA research; All ratios as per ICRA calculations

*based on unaudited financial results

** (adj) on account of goodwill; total assets have been grossed up for ECL provisions

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding* (Rs. crore)	Rating (FY2021)				Chronology of Rating History for the past 3 years					
					Current Rating	Earlier Rating			Date & Rating in FY2020		Date & Rating in FY2019			Date & Rating in FY2018
						Mar 29, 2021	Feb 3, 2021	Oct 12, 2020	Jul 27, 2020	Jun 25, 2019	May 31, 2019 Apr 22, 2019	Sep 14, 2018 Sep 4, 2018	Jul 6, 2018	May 31, 2018
1	NCD Programme	Long-term	3,395	1,580	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	-	-
2	Subordinated (Tier-II) Bonds	Long-term	1,500	500	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	-	-
3	Long-term Fund-based Limits	Long-term	1,625	NA	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	-	-
4	Long-term Term Loans	Long-term	8,400	8,400	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA (Negative)	[ICRA]AA+ (Negative)	[ICRA]AA+ (Stable)	[ICRA]AA (Positive)	-	-
5	CP Programme	Short-term	-	-	-	-	-	[ICRA]A1+; reaffirmed and withdrawn	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+	[ICRA] A1+
6	Retail Non-convertible Debenture Programme	Long-term	2,000	NA	[ICRA]AA (Negative); assigned									
7	Long-term Principal Protected Market Linked Debenture Programme	Long-term	500	NA	[ICRA]AA (Negative); assigned									

* Outstanding as on December 31, 2020

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [click here](#)

Annexure 1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
INE641O07037	NCD	Mar 10, 2017	8.95%	Mar 08, 2024	5	[ICRA]AA (Negative)
INE641O07086	NCD	May 04, 2017	8.75%	May 03, 2024	25	[ICRA]AA (Negative)
INE641O07128	NCD	Aug 04, 2017	8.35%	Aug 04, 2020	125	[ICRA]AA (Negative)
INE641O07144	NCD	Sep 20, 2017	7.96% (monthly)	Sep 19, 2025	167	[ICRA]AA (Negative)
INE641O07144	NCD	Sep 20, 2017	7.96% (monthly)	Sep 18, 2026	167	[ICRA]AA (Negative)
INE641O07144	NCD	Sep 20, 2017	7.96% (monthly)	Sep 20, 2027	166	[ICRA]AA (Negative)
INE641O07151	NCD	Sep 25, 2017	8.07%	Sep 25, 2020	500	[ICRA]AA (Negative)
INE641O07169	NCD	Sep 29, 2017	8.10%	Sep 29, 2020	125	[ICRA]AA (Negative)
INE641O07177	NCD	Nov 08, 2017	7.96%	Nov 06, 2020	115	[ICRA]AA (Negative)
INE516Y07170	NCD	Jul 31, 2020	7.85%	Jan 31, 2022	500	[ICRA]AA (Negative)
INE516Y07188	NCD	Jul 31, 2020	8.50%	Jul 31, 2023	500	[ICRA]AA (Negative)
INE516Y07246	NCD	Nov 3, 2020	9.32%	Nov 1, 2030	50	[ICRA]AA (Negative)
NA	NCD (proposed)	-	-	-	950	[ICRA]AA (Negative)
INE641O08035	Subordinated Bond (Tier II)	Mar 08, 2017	9.55%	Mar 08, 2027	500	[ICRA]AA (Negative)
NA	Subordinated Bond (Tier II) (proposed)	-	-	-	1,000	[ICRA]AA (Negative)
NA	Long-term Bank Facilities – Line of Credit/Cash Credit	NA	NA	NA	1,625	[ICRA]AA (Negative)
NA	Long-term Bank Facilities – Term Loans	2014-2020	8.75% - 11.50%	2021-2024	8,400	[ICRA]AA (Negative)
NA	Retail Non-convertible Debenture Programme	NA	NA	NA	2,000	[ICRA]AA (Negative)
NA	Long-term Principal Protected Market Linked Debenture Programme	NA	NA	NA	500	[ICRA]AA (Negative)

Source: Company

Annexure 2: List of entities considered for consolidated analysis

Not applicable

ANALYST CONTACTS

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RELATIONSHIP CONTACT

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MEDIA AND PUBLIC RELATIONS CONTACT

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About ICRA Limited:

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

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

For more information, visit www.icra.in

ICRA Limited



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Branches



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ICRA Limited

CONFIDENTIAL

Ref: ICRA/Piramal Capital & Housing Finance Limited/24062021/01

Date: June 24, 2021

Mr. Sachin Deodhar
Chief Financial Officer
Piramal Capital & Housing Finance Limited
Piramal Tower, A Wing, Second Floor,
G. K. Marg, Lower Parel,
Mumbai – 400 013.

Dear Sir,

Re: ICRA credit rating for the Rs. 2,000 crore¹ Retail non-convertible debenture (Retail NCD) Programme of Piramal Capital & Housing Finance Limited

Please refer to your request dated June 24, 2021 for revalidating the rating letter issued for the captioned Rs. 2,000 crore¹ Retail NCD programme.

We confirm that the [ICRA]AA (pronounced as ICRA double A) rating, with a Negative outlook, assigned to your captioned programme and last communicated to you vide our letter dated March 23, 2021 stands. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The modifiers {"+" (plus) / "-" (minus)} reflect the comparative standing within the rating category.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref MUM/20-21/3582 dated March 23, 2021.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the 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

Authorised Signatory
KARTHIK SRINIVASAN
Senior Vice President
karthiks@icraindia.com

¹ The entire rated amount is unutilised and available for issuance

Electric Mansion, 3rd Floor
Appasaheb Marathe Marg
Prabhadevi, Mumbai-400025
Registered Office: B-710, Statesman House, 148, Barakhamba Road, New Delhi 110001.

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CIN :
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RATING

RESEARCH

INFORMATION

ANNEXURE A2

CARE RATING LETTER AND RATING RATIONALE

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No. CARE/HO/RL/2020-21/4772

Shri Lalit Ostwal
Head - Treasury
Piramal Capital & Housing Finance Limited
(Erstwhile known as Piramal Housing Finance Ltd)
2nd Floor, Piramal Tower, G K Marg,
Lower Parel, Mumbai,
Maharashtra 400013.

March 24, 2021

Confidential

Dear Sir,

Credit rating for proposed Public issue of Non-Convertible Debenture issue

Please refer to your request for rating of proposed **long-term Public issue of Non-convertible Debenture (NCD)** issue aggregating to Rs.2,000 crore of your Company.

2. Our Rating Committee has reviewed the following rating(s):

Sr. No.	Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
1.	Non Convertible Debentures	2,000.00	CARE AA (CWD) (Double A) (Under Credit watch with Developing Implications)	Assigned
	Total Instruments	2,000.00 (Rs. Two Thousand Crore Only)		

3. Our Rating Committee has placed the above ratings on 'credit watch with developing Implications' on account of PCHFL being declared as successful resolution applicant for DHFL, under the corporate insolvency resolution process of DHFL, and the possible impact of the same on the credit profile of your company. CARE will take a view on the ratings once the exact implications of the above event on the credit risk profile of the company are clear.

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

4. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is Mar 24, 2021
5. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
6. 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
------------------------	-------------	---------------------------	--------------------	-----------------------------	----------------------------	------------------------	--	------------------------------------

7. 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.
8. The rationale for the rating will be communicated to you separately.
9. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
10. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE 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 shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
11. 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.

CARE Ratings Ltd.

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

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


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

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

If you need any clarification, you are welcome to approach us in this regard.

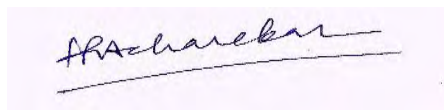
Thanking you,

Yours faithfully,



Dharmesh Minesh Gandhi
Analyst

Dharmesh.gandhi@careratings.com



Aditya R Acharekar
Associate Director

aditya.acharekar@careratings.com

Encl.: As above

Disclaimer

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

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

CARE Ratings Ltd.

Piramal Capital & Housing Finance Limited

March 25, 2021

Ratings

Instruments/ Facilities	Rated Amount (Rs. crore)	Rating ¹	Rating Action
Proposed Public Issue of Non Convertible Debentures	2,000 (Rs. Two Thousand crore only)	CARE AA (CWD) [Double A (Under Credit watch with Developing Implications)]	Assigned

Details of instruments/facilities in Annexure-1
Detailed Rationale & Key Rating Drivers

CARE has assigned rating of '**CARE AA (Under Credit watch with Developing Implications)**' to the proposed Public Issue of Non Convertible Debentures of Piramal Capital & Housing Finance Limited (PCHFL).

The ratings are 'Under Credit Watch with Developing Implications' following the announcement made by Piramal Enterprises Limited (parent company), vide stock exchange notification dated January 22, 2021, that the Committee of Creditors of Dewan Housing Finance Limited (DHFL) has declared PCHFL as successful resolution applicant in relation to the Corporate Insolvency Resolution Process of DHFL under the Insolvency & Bankruptcy Code, 2016 and identified the resolution plan submitted by PCHFL as successful resolution plan vide the Letter of Intent (LOI) from the Administrator of DHFL.

The implementation of the resolution plan would be subject to the terms of the LOI and various regulatory approvals including that from the Reserve Bank of India (RBI) and National Company Law Tribunal (NCLT), Mumbai. While Piramal group was in the fray for acquiring DHFL since past few months, the acquisition would be significant as compared to the existing balance sheet size of PCHFL and PEL; as a result, the long-term ratings have been put on 'Credit Watch with Developing Implications'. While the transaction will increase the retail asset proportion in PCHFL's loan book, it will also lead to an increase in overall gearing. CARE will continue to engage with the management of the PEL group and will resolve the watch once there is enough clarity related to regulatory approvals, acquisition timelines and consequent impact on the business & financial profile of PCHFL and PEL.

The ratings continue to derive strength from strong and resourceful promoter group which has presence in diversified segments like real estate, healthcare, financial services and glass manufacturing along with shared brand name and common treasury with its parent, Piramal Enterprises Limited (PEL) (rated 'CARE AA (Under credit watch with Developing Implications)'). PCHFL is the flagship company in the financial services segment of the Piramal group. The ratings also takes into account the experienced Board of Directors and management team and moderate leverage of the company.

Apart from significant experience in the healthcare business, the promoter group has experience in real estate and real estate financing and the company has built-in strong risk management and asset monitoring processes which helps it to proactively manage its exposures. However, a prolonged slowdown in the real estate market is likely put pressure on the asset quality in the short to medium term.

The rating strengths are partially offset by PCHFL's moderately seasoned loan book and moderation in asset quality along with significant exposure to the real estate sector. Further, the client concentration in the loan portfolio given the large ticket size of loans to real estate developers continues to remain high.

The real estate sector which was already facing challenges in terms of access to funding and slow sales leading to increase in inventory levels was further impacted on account of nation-wide lockdown due to COVID-19 in terms of slower construction due to migrant workers shifting as well as lower demand on the back of fall in economic activity. The sector is expected to see further consolidation over the medium term.

The group has been taking steps to reduce the proportion of wholesale book either by sell down of its exposures, refinance or other measures and has plan to reduce the level and proportion of real estate exposures in the near to medium term and bring in more granularity to the loan book by reducing the borrower concentration. CARE will continue to monitor the progress on the same and would review the ratings if required. CARE also takes comfort from the Piramal group's demonstrated resource raising ability both at PEL (the parent company) levels as well as in PCHFL.

The risk aversion in the market continues towards the NBFC / HFC sector in general and wholesale lending focused nonbanking lenders which has seen challenges in resource mobilization in recent times. Therefore, continuous mobilization of resources and maintaining adequate liquidity in the current operating environment is a key rating monitorable for PCHFL.

The rating also factors in moderation in profitability during FY20 as the company has made one-time conservative provisioning for expected credit loss on account of Covid and one time MAT credit reversal and accounting write-off of DTA.

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

Rating sensitivities:**Positive factors - Factors that could lead to positive rating action/upgrade:**

- Substantial reduction in exposure to real estate segment in overall loan book and reduction in single group exposure to tangible net worth on a sustained basis.
- Gross NPA below 0.5%

Negative factors - Factors that could lead to negative rating action/downgrade:

- Any delay in planned reduction in the real estate loan book of PEL – Financial services business by March 31, 2021.
- Mismatch in asset liability maturities and challenges in raising long term funding.
- Further deterioration in asset quality (Gross NPA) from current levels
- Reduction in support from Piramal Enterprises Limited.

Detailed description of the key rating drivers**Key Rating Strengths*****Strong and resourceful promoter group***

PCHFL (post amalgamation) is a wholly owned subsidiary of PEL that is a part of the Ajay Piramal group of companies. The group is a diversified Indian business house with interests in healthcare, glass manufacturing, real estate and financial services. The company has successful track record of around more than two decades in the healthcare business. Over the past few years, the group has built its financial services business with consolidated loan portfolio of Rs.50,963 crore as on March 31, 2020 (Rs.56,624 crore as on March 31, 2019 with PCHFL being the flagship company for the financial services business of the group).

CARE also takes comfort from the Piramal group's demonstrated resource raising ability both at PEL (the parent company) levels as well as in PCHFL. The group has demonstrated ability to raise resources time and again with raising around Rs.7,000 crore of fresh equity in FY18 and Rs.5,400 crore in FY20 (including of Rs.1,750 crore from CDPQ). Further PEL has also raised ~Rs.9,000 crore from part stake sale of its investment in Shriram group and sale of Healthcare & Analytics business in FY20. This provides cushion to the group's ability to absorb any external shocks in financial services business.

In October, 2020, Piramal Pharma Limited (PPL, 100% subsidiary of Piramal Enterprises Limited) has raised around Rs.3,500 crore by 20% equity stake dilution to Carlyle group. The above steps has helped PEL to reduce leverage over past 18 months and improve its liquidity profile. CARE also takes note of PEL's plan to exit from its investment in the Shriram group during FY21 which will further deleverage its balance sheet and provides comfort.

The parent company, PEL on consolidated level has raised debt resources to the tune of ~Rs.13,500 crore during FY20 and ~Rs.14,300 crore during FY21 (of which PCHFL has raised nearly ~Rs.7,000 crore) till December 31, 2021 largely from public sector banks in recent times and has been able to refinance the immediate terms maturities.

Shared brand name and common treasury between PEL and PCHFL

PCHFL benefits from group synergies in the form of shared 'Piramal' brand name, capital, managerial and operational support from the parent. PCHFL also benefits from the real estate expertise of Piramal Group. The financial services companies of the group have a shared treasury desk, which is responsible for raising resources for the financial services segment. The common treasury help's PCHFL to raise resources to fund growth at a competitive rates.

Experienced board of directors and management team

The company's board is headed by Mr. Ajay Piramal who is the promoter and Chairman of the Piramal group. The company has a strong Board of Directors comprising experienced professionals. The company's management team comprises of qualified professionals heading different business verticals with adequate and relevant experience in their respective fields.

Significant presence in the real estate finance space with gradual but limited diversification

The loan portfolio of PEL – Financial Services businesses has grown from Rs.4,766 crore as on March 31, 2015 to Rs.50,963 crore as on March 31, 2020. The group has gradually diversified its loan book in past few years, which can be witnessed by introduction of newer products including project finance, lease rental discounting, corporate finance, emerging corporates, and retail housing loan.

As on March 31, 2020, PCHFL's exposure to real estate segment constituted 74% of the total loan portfolio and PCHFL remains one of the largest non - bank real estate financiers in India with real estate loan book of Rs.24,772 crore. Real estate finance largely comprises of construction finance and corporate loans at 48% and 23% of total loan portfolio while LRD stands at 2%. Post the merger into HFC and scale up of retail home loan book, PCHFL has seen gradual diversification and the proportion of housing loan portfolio increased to 16% as on March 31, 2020 (March 31, 2019: 14%) as against 3% as on March 31, 2018. The loan portfolio also comprises of 7% of Corporate Finance Group (March 31, 2019: 14%) and 2% of Emerging Corporate Lending (March 31, 2019: 2%) as on March 31, 2020. Over the years, through its experience, the group has developed expertise in the real estate business which helps its financial services business through providing valuable insights in funding real estate projects.

As on September 30, 2020, the loan book comprised of Real estate loan book (78% of PCHFL's overall loan portfolio), CFG book comprising (6%), Emerging corporate lending (2%) and Housing Loans at (14%). Going forward, the group further intends to focus on retail loans (including housing finance loans to affordable and mid segment) in the overall loan portfolio and plans to enter consumer finance business to increase the granularity of the loan book. CARE expects the group to significantly increase the proportion of retail loan book in overall loan book in medium term.

Adequate capitalization and comfortable gearing levels

PEL has been raising equity capital and has been providing growth capital to the financial services business including PCHFL. Out of the around Rs.7,000 crore of equity capital raised by PEL in FY18, Rs.3,500 crore was infused as equity capital in PCHFL in FY18 which helped the company strengthen its capitalization levels. During FY20, PEL further raised nearly Rs.14,500 crore of capital (including Rs.5,400 crore of fresh equity) from which it infused Rs.1,400 crore into PCHFL to strengthen its capitalisation levels.

PCHFL reported tangible net-worth of Rs.10,195 crore as on March 31, 2020 (March 31, 2019: Rs.9,216 crore). The company reported capital adequacy ratio (CAR) of 34.89%, which is well above regulatory requirement, with Tier I CAR at 32.06% as on March 31, 2020 and overall gearing levels stood at 2.87 times (March 31, 2019: 3.51 times). As on December 31, 2020, PCHFL reported CAR of 35.62% (Tier I CAR: 32.83%) and overall gearing of 2.42 times.

PEL (consolidated) has been raising capital and reducing the leverage at the group level over the last two years. PEL (consolidated) reported net-worth of Rs.35,467 crore as on December 31, 2020 with Gross debt of Rs.36,992 crore leading to overall gearing of 1.04 times as compared to net-worth of Rs.27,233 crore and Gross debt of Rs.56,040 crore with overall gearing of 2.06 times as on March 31, 2019. The net debt post Pharma deal inflow stands at Rs.33,457 crore as on October 06, 2020 (provisional).

Diversified resource profile and adequate liquidity profile

The company has a diversified resource profile with PCHFL's borrowing comprising of bank borrowings (56%), Non Convertible Debentures (23%), ICDs (9%), ECB's (2%) and Securitization (7%) as on September 30, 2020 while funding through Commercial Paper reduced to 3% from 15% of its total borrowings as on March 31, 2019. PCHFL's liquidity profile as on September 30, 2020 was adequate on account of PCHFL's policy to maintain adequate unutilized bank lines as well as liquid investments which would help them to manage liquidity requirements. The company has raised Rs.6,565 crore of long term funds during H1FY21, largely from public sector banks, coupled with meagre disbursements as compared to FY20 which has led to positive asset liability profile as on September 30, 2020. The company had free cash & equivalent of Rs.4,166 crore as on September 30, 2020.

Key Rating Weaknesses

Moderately seasoned loan book

The Piramal group has largely built its wholesale loan portfolio post FY16 due to which the seasoning of the loan book is moderate and the performance of the asset quality over multiple business cycles is yet to be seen.

Also, the majority of housing portfolio of Rs.5,503 (March 31, 2019: Rs.5,204 crore) as on March 31, 2020, has been disbursed over post FY17 and the performance of the same is yet to be seen over multiple economic and business cycles.

Moderation in profitability, largely on account of one-time provisioning of Rs.1,249 crore for expected credit loss

During FY20, the company reported Profit After Tax (PAT) of Rs.30.5 crore on total income of Rs.5,623 crore as against PAT of Rs.1,443 crore on total income of Rs.5,572 crore during FY19. While the pre-provisioning operating profit decreased by 24% during FY20 to Rs.1,778 crore. During Q4FY20, the company made one-time incremental conservative provisioning for expected credit loss on account of current macro situation in light of COVID-19 resulting in significant decline in profit for FY20. Further, the company has written off accumulated MAT credit of Rs.504.61 crore on account of selection of lower tax at 25.168% and reversed deferred tax liabilities of Rs.131.74 crore through P&L thus resulting into one-time expense of Rs.372.86 crore.

During 9MFY21 (unaudited), the company reported PAT of Rs.1,065 crore on total income of Rs.3,921 crore. The profitability for Q4 of FY21 would largely depend on the actual credit loss and provisioning requirement for Covid related stress.

Moderation in asset quality

The group has put in place strong risk management practices, rigid underwriting norms and set up an asset monitoring division for continuous monitoring of the loan portfolio which has led to the company posting moderate asset quality parameters, even in current difficult macro operating environment for wholesale lending NBFCs. As on March 31, 2020, the company reported some deterioration in asset Quality with Gross NPA ratio of 2.12%, Net NPA ratio of 1.37% and Net NPA to Net worth ratio of 4.67%. As on December 30, 2020, the company reported Gross NPA ratio of 2.58% and Net NPA ratio of 1.26% with Net NPA to Net worth ratio of 3.64%.

During the initial months of lockdown, the financial services business saw borrowers opting for moratorium under regulatory relief. Around 67% of the wholesale portfolio and 25% of the retail portfolio were under moratorium as on May, 2020 (moratorium 1) and around 74% of the wholesale portfolio and 25% of the retail portfolio were under moratorium as on August, 2020 (moratorium 2).

The economic slowdown, lower sales/construction/collection by real estate developers during lockdown and moratorium availed by them under regulatory relief package for Covid-19, affected the collections of the company in absolute numbers. While the construction activity has resumed post lifting of lockdown, along with increase in sales in September / October as compared to lockdown months, the sustenance of the same needs to be seen. While the company's scheduled collections had seen a severe decline during April - August period, as significant portion of book had availed 6 month moratorium under regulatory relief package for Covid-19, the company managed to receive some pre-payment from its loan book during April - August.

The company's collection has seen an uptick in Q3FY21 with retail and wholesale efficiency improving significantly over previous months, on account of revival in sales and collections of its funded projects but it is too early to comment on revival of real estate demand as whole and hence it will be key monitorable going forward.

In past few years, company has been able to exit some of its exposures by way of pre-payments as the borrower has either refinanced the exposure or brought in equity or have been able to sell the projects. In recent times, the real estate has seen downturn resulting in decline in sales across geographies. Although on consolidated financial services business level, the company has adequate provisioning for NPAs as on date, a prolonged downturn in the real estate industry may impact the asset quality of the company and will remain key monitorable going forward.

Significant sectorial exposure primarily to real estate sector

PCHFL's loan portfolio has high exposure to the real estate as it has been the focus for the Piramal Group's financial services business. Though, the exposure has seen gradual diversification, it constituted 75% of the overall loan book as on March 31, 2020. Within real estate, the company has majority of exposure to Construction finance (including corporate loans) to large and mid-sized developers. The real estate exposure stood at 78% of total loan book as on September 30, 2020. The increase in real estate concentration is largely on account of significant reduction in non Real estate loan book over past 6 months and real estate exposures sell down deals traction took a hit on account of lockdown.

The continued stress in real estate may pose asset quality challenges going forward. In general, PCHFL's Real estate loans typically had principal moratorium of 6 months and above (depending on loan to loan basis). The group has established a strong developer network along with real estate research arm which has benefited the company to invest and exit the exposure at various stages which provides comfort.

The group has plans to reduce the proportion of wholesale lending portfolio while increasing the proportion of retail lending in the medium term. The group has plans to significantly reduce its wholesale lending portfolio by around 15-20% by end of FY21 (as compared to September 30, 2020), largely on account of reduction in real estate exposures via prepayment / sell-down / refinance of exposures.

Client concentration risk in the loan portfolio

As on March 31, 2020, the loan book of PCHFL is largely wholesale in nature and has significant borrower concentration. PCHFL's top 10 group exposures in real estate sector constituted around 106% (March 31, 2019: 120%) of the tangible net worth as on March 31, 2020 and 100% of tangible net worth as on September 30, 2020. CARE has noted that PCHFL plans to bring down the top exposures down in near term.

The company is expected to ramp up its housing finance business as well as consumer finance lending products (expected to be launched in H2FY21), which is expected to increase the granularity of the portfolio. The pace of diversification and de-risking of portfolio will remain key monitorable.

Analytical approach: CARE has analyzed PCHFL's standalone credit profile along with its managerial, operational and financial linkages with its parent, PEL.

Applicable Criteria

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

[CARE's policy on default recognition](#)

[Rating Methodology: Factoring Linkages in Ratings](#)

[Rating Methodology- Housing Finance Companies](#)

[Financial Ratios- Financial Sector](#)

[Criteria for Short Term Instruments](#)

Liquidity Position: Comfortable

As per the asset liability maturity (ALM) statement as on September 30, 2020, PCHFL on a standalone basis has cumulative outflows of around ~Rs.10,600 crore over the next 12 months against which it had inflows of ~Rs.15,800 crore (including free

cash and equivalent of ~Rs.4,166 crore). The company has received Rs.2,666 crore capital support from parent by the way of ICD as on September 30, 2020.

As on December 31, 2020, the free cash & equivalent stood at Rs.1,712 crore.

About the Company

PCHFL [erstwhile Piramal Housing Finance Limited (PHFL)] is a housing finance company, incorporated in February 2017 as wholly owned subsidiary of Piramal Finance Limited. With effect from March 31, 2018, Piramal Finance Limited and Piramal Capital Limited have amalgamated with Piramal Housing Finance Limited and subsequently, the name of the entity has changed to Piramal Capital & Housing Finance Limited. PCHFL has become a wholly owned subsidiary of Piramal Enterprise Limited (PEL) and is the flagship entity of the group's financial services business.

Piramal Capital & Housing Finance Limited

Brief Financials (Rs. crore) [§]	FY19	FY20
	12m, A	12m, A
Total income	5,572	5,623
PAT	1,443	30
Total Assets (adjusted for Intangible assets)	41,808	40,502
Net NPA (%)	0.14	1.37
ROTA (%) (PAT/Average Tangible Total Assets)	3.82	0.07

A: Audited; All ratios are as per CARE's calculation
[§] (IND AS)

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Public issue of Non-Convertible Debentures	Proposed	-	-	-	2,000	CARE AA (Under Credit Watch with Developing Implications)

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Non-convertible debentures	LT	460.00	CARE AA (Under Credit Watch with Developing Implications)	1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Oct-20) 4) CARE AA; Stable (28-Apr-20)	1) CARE AA; Stable (05-Jul-19)	1) CARE AA+; Stable (22-June-18)	-
2.	Subordinate Debt	LT	500.00	CARE AA (Under Credit Watch with Developing	1) CARE AA (Under Credit Watch with	1) CARE AA; Stable (05-Jul-19)	1) CARE AA+; Stable (22-June-18)	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
				Implications)	Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Sep-20)			
3.	Non-convertible debentures	LT	7,500.00	CARE AA (Under Credit Watch with Developing Implications)	1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Oct-20) 4) CARE AA; Stable (28-Apr-20)	1) CARE AA; Stable (05-Jul-19)	1) CARE AA+; Stable (06-Aug-18)	-
4.	Long term bank facilities	LT	31,100.00	CARE AA (Under Credit Watch with Developing Implications)	1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (28-Apr-20)	1) CARE AA; Stable (05-Jul-19)	1) CARE AA+; Stable (13-Feb-19) 2) CARE AA+; Stable (06-Aug-18)	-
5.	Commercial Paper issue	ST	5,000.00	CARE A1+	1) CARE A1+ (28-Jan-21) 2) CARE A1+ (11-Dec-20) 3) CARE A1+ (28-Apr-20)	1) CARE A1+ (05-Jul-19)	1) CARE A1+ (06-Aug-18)	-
6.	Short-term Inter Corporate Deposits	ST	500.00	CARE A1+	1) CARE A1+ (28-Jan-21) 2) CARE A1+ (11-Dec-20) 3) CARE A1+ (07-Oct-20)	1) CARE A1+ (05-Jul-19) 2) CARE A1+ (24-Apr-19)	-	-
7.	Subordinate Debt (Tier II)	LT	1,000.00	CARE AA (Under Credit Watch with Developing Implications)	1) CARE AA (Under Credit Watch with Developing Implications)	1) CARE AA; Stable (05-Jul-19) 2) CARE AA+; Stable	-	-

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
					(28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Sep-20)	(29-May-19)		
8.	Non-convertible debentures	LT	3,000.00	CARE AA (Under Credit Watch with Developing Implications)	1) CARE AA (Under Credit Watch with Developing Implications) (28-Jan-21) 2) CARE AA; Stable (11-Dec-20) 3) CARE AA; Stable (07-Sep-20)	-	-	-
9	Market Linked Debentures	LT	600.00	CARE PP-MLD AA (Under Credit Watch with Developing Implications)	1) CARE PP-MLD AA (Under Credit Watch with Developing Implications) (12-Feb-21)	-	-	-
10	Public Issue of Non Convertible Debentures	LT	2,000	CARE AA (Under Credit Watch with Developing Implications)	-	-	-	-

Annexure-3: Complexity Level of various Instruments rated of this company

Sr. No.	Name of Instrument	Complexity Level
1.	Non Convertible Debentures	Simple
2.	Subordinate Debt	Complex
3.	Long Term Bank Facilities	Simple
4.	Commercial Paper Issue	Simple
5.	Short-term Inter Corporate Deposits	Simple
6.	Market Linked Debentures	Highly Complex

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

Contact us

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Mr. Aditya Acharekar
Contact no.: + 91-9819013971
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Mr. Sanjay Kumar Agarwal
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Relationship Contact:

Ankur Sachdeva
Tel: - +91-22-6754 3429
Email ID: ankur.sachdeva@careratings.com

About CARE Ratings:

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

Disclaimer

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

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

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

No. CARE/HO/RL/2021-22/1582

Shri Lalit Ostwal

Head - Treasury

Piramal Capital & Housing Finance Limited

(Erstwhile known as Piramal Housing Finance Ltd)

2nd Floor, Piramal Tower, G K Marg,

Lower Parel, Mumbai,

Maharashtra 400013.

June 23, 2021

Confidential

Dear Sir,

Credit rating for proposed Public issue of Non-Convertible Debenture issue

Please refer to our letter no. CARE/HO/RL/2021-22/1183 dated April 26, 2021, and your request for revalidation of the rating assigned to the Public issue of Non-Convertible Debentures of your company, for a limit of Rs.2,000.00 crore.

2. The following rating(s) have been reviewed:

Sr. No.	Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
1.	Non Convertible Debentures	2,000.00	CARE AA (CWD) (Double A) (Under Credit watch with Developing Implications)	Assigned
	Total Instruments	2,000.00 (Rs. Two Thousand Crore Only)		

3. CARE will take a view on the ratings once the exact implications of the announcement related to PCHFL being declared as successful resolution applicant for DHFL, under the corporate insolvency resolution process for DHFL, on the credit risk profile of the company are clear.

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

5. Please inform us the below-mentioned details of issue immediately, but not later than 7 days from the date of placing the instrument:

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

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors
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6. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
7. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE 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 shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
8. 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.
9. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
10. CARE ratings are **not** recommendations to buy, sell or hold any securities.

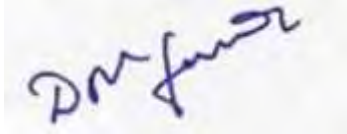
If you need any clarification, you are welcome to approach us in this regard.

CARE Ratings Ltd.

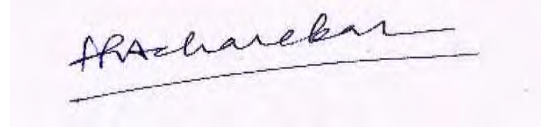
If you need any clarification, you are welcome to approach us in this regard.

Thanking you,

Yours faithfully,



Dharmesh Minesh Gandhi
Lead Analyst
dharmesh.gandhi@careratings.com



Aditya R Acharekar
Associate Director
aditya.acharekar@careratings.com

Encl.: As above

Disclaimer

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

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

ANNEXURE B

CONSENT OF THE DEBENTURE TRUSTEE

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No. 19477-A/ITSL/OPR/CL/20-21/DEB/726

Date: March 19, 2021

Consent from the Debenture Trustee to the Issue

To,

The Board of Directors
Piramal Capital & Housing Finance Limited
4th Floor, Piramal Tower
Peninsula Corporate Park
Chhatrapati Kadam Marg
Lower Parel
Mumbai - 400 013

Sub: Proposed public issue by Piramal Capital & Housing Finance Limited (the "Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000 each ("NCDs") (the "Issue")

Dear Sirs,

We, the undersigned, do hereby consent to act as debenture trustee to the Issue and to our name being inserted as the debenture trustee to the Issue in (i) the draft shelf prospectus ("**Draft Shelf Prospectus**") / draft prospectus ("**Draft Prospectus**") which the Company intends to file with the [BSE Limited, the ("**BSE**") for the purpose of receiving public comments, the National Stock Exchange of India Limited ("**NSE**" together with BSE, the ("**Stock Exchanges**") and submitted with the Securities and Exchange Board of India ("**SEBI**") for record purposes; (ii) the shelf prospectus ("**Shelf Prospectus**") / prospectus ("**Prospectus**") proposed to be filed with the Registrar of Companies, Maharashtra at Mumbai (the ("**RoC**") and submitted to SEBI and the Stock Exchanges in relation to the Issue ("**Shelf Prospectus**"); (iii) one or more tranche prospectus proposed to be filed with the RoC and submitted to SEBI and the Stock Exchanges in relation to the Issue ("**Tranche Prospectus**"); (iv) the abridged prospectus; and (v) all related advertisements and the subsequent communications sent to the holders of NCDs pursuant to the Issue. The NCDs are proposed to be listed on the Stock Exchanges.

We also authorise you to deliver a copy of this letter of consent to the RoC pursuant to Section 26 of the Companies Act, 2013, as amended, the SEBI, the Stock Exchanges and any other regulatory authorities as may be required. The following details with respect to us may be disclosed:



Logo:

Name: IDBI Trusteeship Services Limited

Address: Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001

Tel: (91) (22) 40807000

Fax: (91) (22) 6631 1776

Email: response@idbitrustee.com

Investor Grievance Email: response@idbitrustee.com

Website: www.idbitrustee.com

Contact Person: Mr. Nikhil Lohani / Mr. Ganraj Jeswani

Compliance Officer: Mr. Jatin Bhat

SEBI Registration No.: IND000000460

CIN: U65991MH2001GOI131154

We enclose a copy of our registration certificate and declaration regarding our registration with SEBI in the required format in **Annexure A**. We also certify that our registration is valid as on date and that we have not been prohibited by SEBI or any other regulatory authority from acting as an intermediary in capital market issues. We also confirm that we have not been debarred from functioning as an intermediary by any regulatory authority, court or tribunal. We further confirm that no enquiry/investigation is presently being conducted by SEBI on us.

We confirm that we will immediately inform, in writing, the Company and the lead managers to the Issue ("**L.Ms**") of any changes to the information stated in this letter till the date the NCDs commence trading on the Stock



IDBI Trusteeship Services Ltd

CIN : U65991MH2001G01131154



Exchanges pursuant to the Issue. In the absence of any such communication, the information stated in this letter should be taken as accurate and updated information until the NCDs commence trading on the Stock Exchanges pursuant to the Issue.

We also confirm that we are not an associate of the Company in terms of the Securities and Exchange Board of India (Debenture Trustee) Regulations, 1993, as amended.

We further confirm that the information in relation to us in this certificate together with the annexures is true and correct.

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 letter may be relied upon by the Company, LMs and the legal advisors appointed by the Company and the LMs in respect of the Issue.

Yours faithfully,

For IDBI Trusteeship Services Limited

Authorised Signatory

Name: Gaurav Jeswani

Designation: Asst. Manager

Cc:

Lead Managers

A. K. Capital Services Limited

30-38, Free Press House, 1st Floor
Free Press Journal Marg
215, Nariman Point
Mumbai - 400 021

Edelweiss Financial Services Limited

Edelweiss House, Off CST Road
Kalina, Mumbai - 400 098

JM Financial Limited

7th Floor, Energy
Appasaheb Marathe Marg
Prabhudevi, Mumbai - 400 025

Trust Investment Advisors Private Limited

109/110, Balarama, Bandra Kurla Complex,
Bandra (E), Mumbai 400 05

Legal Counsel to the Issue

Cyril Amarchand Mangaldas

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg Lower Parel
Mumbai 400 013

Annexure A

No. 19477-B/ITSL/OPR/CL/20-21/DIB/726
Date: March 19, 2021

TO WHOMSOEVER IT MAY CONCERN

Sub: Proposed public issue by Piramal Capital & Housing Finance Limited (the "Company") of secured, rated, listed, redeemable, non-convertible debentures of face value of Rs. 1,000 each ("NCDs") (the "Issue")

1. SEBI Registration number:	IND000000460
2. Date of registration / renewal of registration:	14.02.2017
3. Date of expiry of registration:	Permanent Registration
4. If applied for renewal, date of application:	N/A
5. Any communication from SEBI prohibiting [name of certifying entity] from acting as [debenture trustee to the offer]:	None
6. Any enquiry/investigation being conducted by SEBI:	None
7. Details of any penalty imposed	None

For IDBI Trusteeship Services Limited


Authorised Signatory
Name: Gurav Jeswani
Designation: Asst. Manager

ANNEXURE C

ILLUSTRATION OF CASH FLOWS AND DAY COUNT CONVENTION

Investors should note that the below examples are solely for illustrative purposes and is not specific to the Tranche I Issue.

Series I

26 Months - Annual Coupon Payment	
Company	Piramal Capital & Housing Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	July 29, 2021
Tenor	26 months
Option 1 : Coupon Rate for Category I Investors and Category II Investors (p.a)	8.10%
Option 2 : Coupon Rate for Category III Investors and Category IV Investors (p.a)	8.35%
Redemption Date/Maturity Date (assumed)	September 29, 2023
Frequency of interest payment	Annual
Option 1: Effective Yield for Category I Investors and Category II Investors	8.12%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.37%
Day Count Convention	Actual/Actual
Type of NCD	Secured

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in ₹)	Option 2: For Category III Investors and Category IV Investors (in ₹)
Deemed date of allotment	Thursday, 29 July, 2021	Thursday, 29 July, 2021		-1000	-1000
Coupon/Interest Payment 1	Friday, 29 July, 2022	Friday, 29 July, 2022	365	81.00	83.50
Coupon/Interest Payment 2	Saturday, 29 July, 2023	Monday, 31 July, 2023	365	81.00	83.50
Coupon/Interest Payment 3	Friday, 29 September, 2023	Friday, 29 September, 2023	62	13.76	14.18
Principal	Friday, 29 September, 2023	Friday, 29 September, 2023		1000	1000

Series II

26 Months – Cumulative

Company	Piramal Capital & Housing Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	July 29, 2021
Tenor	26 months
Option 1 : Coupon Rate for Category I Investors and Category II Investors (p.a)	NA
Option 2 : Coupon Rate for Category III Investors and Category IV Investors (p.a)	NA
Redemption Date/Maturity Date (assumed)	September 29, 2023
Frequency of interest payment	Cumulative
Option 1: Effective Yield for Category I Investors and Category II Investors	8.10%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.35%
Day Count Convention	Actual/Actual
Type of NCD	Secured

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in ₹)	Option 2: For Category III Investors and Category IV Investors (in ₹)
Deemed date of allotment	Thursday, 29 July, 2021	Thursday, 29 July, 2021		-1000	-1000
Principal and Interest Payment	Friday, 29 September, 2023	Friday, 29 September, 2023	792	1184.20	1190.15

Series III

36 Months - Annual Coupon Payment

Company	Piramal Capital & Housing Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	July 29, 2021
Tenor	36 months
Option 1 : Coupon Rate for Category I Investors and Category II Investors (p.a)	8.25%
Option 2 : Coupon Rate for Category III Investors and Category IV Investors (p.a)	8.50%
Redemption Date/Maturity Date (assumed)	July 29, 2024
Frequency of interest payment	Annual
Option 1: Effective Yield for Category I Investors and Category II Investors	8.24%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.49%
Day Count Convention	Actual/Actual
Type of NCD	Secured

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in ₹)	Option 2: For Category III Investors and Category IV Investors (in ₹)
Deemed date of allotment	Thursday, 29 July, 2021	Thursday, 29 July, 2021		-1000	-1000
Coupon/Interest Payment 1	Friday, 29 July, 2022	Friday, 29 July, 2022	365	82.50	85.00
Coupon/Interest Payment 2	Saturday, 29 July, 2023	Monday, 31 July, 2023	365	82.50	85.00
Coupon/Interest Payment 3	Monday, 29 July, 2024	Monday, 29 July, 2024	366	82.50	85.00
Principal	Monday, 29 July, 2024	Monday, 29 July, 2024		1000	1000

Series IV

60 Months – Annual Coupon Payment

Company	Piramal Capital & Housing Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	July 29, 2021
Tenor	60 months
Option 1 : Coupon Rate for Category I Investors and Category II Investors (p.a)	8.50%
Option 2 : Coupon Rate for Category III Investors and Category IV Investors (p.a)	8.75%
Redemption Date/Maturity Date (assumed)	July 29, 2026
Frequency of interest payment	Annual
Option 1: Effective Yield for Category I Investors and Category II Investors	8.50%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.75%
Day Count Convention	Actual/Actual
Type of NCD	Secured

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in ₹)	Option 2: For Category III Investors and Category IV Investors (in ₹)
Deemed date of allotment	Thursday, 29 July, 2021	Thursday, 29 July, 2021		-1000	-1000
Coupon/Interest Payment 1	Friday, 29 July, 2022	Friday, 29 July, 2022	365	85.00	87.50
Coupon/Interest Payment 2	Saturday, 29 July, 2023	Monday, 31 July, 2023	365	85.00	87.50
Coupon/Interest Payment 3	Monday, 29 July, 2024	Monday, 29 July, 2024	366	85.00	87.50
Coupon/Interest Payment 4	Tuesday, 29 July, 2025	Tuesday, 29 July, 2025	365	85.00	87.50
Coupon/Interest Payment 5	Wednesday, 29 July, 2026	Wednesday, 29 July, 2026	365	85.00	87.50
Principal	Wednesday, 29 July, 2026	Wednesday, 29 July, 2026		1000	1000

Series V

120 Months – Annual Coupon Payment

Company	Piramal Capital & Housing Finance Limited
Face Value per NCD (in ₹)	1000
Number of NCDs held (assumed)	1
Deemed date of allotment (assumed)	July 29, 2021
Tenor	120 months
Option 1 : Coupon Rate for Category I Investors and Category II Investors (p.a)	8.75%
Option 2 : Coupon Rate for Category III Investors and Category IV Investors (p.a)	9.00%
Redemption Date/Maturity Date (assumed)	July 29, 2031
Frequency of interest payment	Annual
Option 1: Effective Yield for Category I Investors and Category II Investors	8.74%
Option 2: Effective Yield for Category III Investors and Category IV Investors	8.99%
Day Count Convention	Actual/Actual
Type of NCD	Secured

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Option 1: For Category I Investors and Category II Investors (in ₹)	Option 2: For Category III Investors and Category IV Investors (in ₹)
Deemed date of allotment	Thursday, 29 July, 2021	Thursday, 29 July, 2021		-1000	-1000
Coupon/Interest Payment 1	Friday, 29 July, 2022	Friday, 29 July, 2022	365	87.50	90.00
Coupon/Interest Payment 2	Saturday, 29 July, 2023	Monday, 31 July, 2023	365	87.50	90.00
Coupon/Interest Payment 3	Monday, 29 July, 2024	Monday, 29 July, 2024	366	87.50	90.00
Coupon/Interest Payment 4	Tuesday, 29 July, 2025	Tuesday, 29 July, 2025	365	87.50	90.00
Coupon/Interest Payment 5	Wednesday, 29 July, 2026	Wednesday, 29 July, 2026	365	87.50	90.00
Coupon/Interest Payment 6	Thursday, 29 July, 2027	Thursday, 29 July, 2027	365	87.50	90.00
Coupon/Interest Payment 7	Saturday, 29 July, 2028	Monday, 31 July, 2028	366	87.50	90.00
Coupon/Interest Payment 8	Sunday, 29 July, 2029	Monday, 30 July, 2029	365	87.50	90.00
Coupon/Interest Payment 9	Monday, 29 July, 2030	Monday, 29 July, 2030	365	87.50	90.00
Coupon/Interest Payment 10	Tuesday, 29 July, 2031	Tuesday, 29 July, 2031	365	87.50	90.00
Principal	Tuesday, 29 July, 2031	Tuesday, 29 July, 2031		1000	1000

Assumptions:

1. The Deemed Date of Allotment is assumed to be Thursday, 29 July, 2021. 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 and 2028 being leap year's, have been calculated for 366 days.
3. In the event, the interest / pay-out of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer.