Indiabulls

INDIABULLS COMMERCIAL CREDIT LIMITED

Our Company was incorporated as Indiabulls Commercial Credit Limited under the Companies Act, 1956 on July 7, 2006 with the Registrar of Companies, National Capital Territory of Delhi and Haryana ("**RoC**") and received a certificate for commencement of business from the RoC on February 20, 2008. Our Company's name was subsequently changed to Indiabulls Infrastructure Credit Limited on January 21, 2009 and thereafter to Indiabulls Commercial Credit Limited on March 12, 2015. The CIN of our Company is U65923DL2006PLC150632. Our Company is registered as a Non-Banking Financial Company under section 45-IA of the Reserve Bank of India Act, 1934. For further details regarding changes to the name and registered office of our Company, please see "*History and other Corporate Matters*" on page 109 of this Draft Shelf Prospectus.

Registered Office: M-62 & 63, First Floor, Connaught Place, New Delhi – 110 001, India.
Telephone No.: +91 11 3025 2900; **Facsimile No.**: +91 11 3015 6901
Corporate Office: "Indiabulls House", Tower I, 18th Floor, One International Centre, S. B. Marg, Elphinstone Road, Mumbai - 400 013
Telephone No.: +91 22 6189 1000; **Facsimile No.**: +91 22 6189 1421; **Website**: http://www.indiabullscommercialcredit.com; **Email**: icclpublicncd@indiabulls.com
Company Secretary and Compliance Officer: Mr. Ajit Kumar Singh; **Telephone No.**: +91 124 668 1199; **Facsimile No.**: +91 124 668 1240; **E-mail**: ajisingh@indiabulls.com

PUBLIC ISSUE BY INDIABULLS COMMERCIAL CREDIT LIMITED, ("COMPANY" OR "ISSUER") OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH, ("NCDs"), FOR AN AMOUNT UPTO ₹ 1,000 CRORES, HEREINAFTER REFERRED TO AS THE "ISSUE". THE NCDs WILL BE ISSUED IN ONE OR MORE TRANCHES UP TO THE SHELF LIMIT, IN THE RELEVANT TRANCHE PROSPECTUS FOR ANY TRANCHE ISSUE (EACH A "TRANCHE ISSUE"), WHICH SHOULD BE READ TOGETHER WITH THIS DRAFT SHELF PROSPECTUS AND THE SHELF PROSPECTUS (COLLECTIVELY THE "OFFER DOCUMENTS"). THE ISSUE IS BEING MADE PURSUANT TO THE PROVISIONS OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AS AMENDED (THE "SEBI DEBT REGULATIONS"), THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED AND TO THE EXTENT NOTIFIED.

OUR PROMOTER

Our promoter is Indiabulls Housing Finance Limited. For further details refer to the section "*Our Promoter*" on page 136 of this Draft Shelf Prospectus.

GENERAL RISKS

For taking an investment decision, investors must rely on their own examination of the Issuer and the Issue, including the risks involved. Specific attention of the Investor is invited to "*Risk Factors*" and "*Material Developments*" on page 17 and 150 respectively, of this Draft Shelf Prospectus, Shelf Prospectus and in the relevant Tranche Prospectus of any Tranche Issue before making any investment in such Tranche Issue. This Draft Shelf 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**"), Registrar of Companies, National Capital Territory of Delhi and Haryana ("**RoC**") or any stock exchange in India nor do they guarantee the accuracy or adequacy of this document.

ISSUER'S ABSOLUTE RESPONSIBILITY

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

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

For the details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date and Redemption Amount of the NCDs, see "*Terms of the Issue*" on page 201 of this Draft Shelf Prospectus. For details relating to Eligible Investors please see "*Issue related information*" on page 196 of this Draft Shelf Prospectus.

CREDIT RATINGS

The NCDs proposed to be issued under this Issue have been rated CARE AA; Negative (Double A; Outlook: Negative) for an amount of ₹ 1,000 crores, by CARE Ratings Limited *vide* their letter no. CARE/HO/RL/2020-2021/4866 dated March 26, 2021, BWR AA+/Negative for an amount of ₹ 1,000 crores, by Brickworks Ratings India Private Limited *vide* their letter no. BWR/NCD/MUM/CRC/ABP/0270/2020-21dated March 29, 2021. The rating of NCDs by CARE and Brickwork indicate that instruments with this rating are considered to have the high degree of safety regarding timely servicing of financial obligations. Such instruments carry low credit risk. For the rationale for these ratings, see Annexure A and B of this Draft Shelf Prospectus. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. These ratings are subject to suspension, revision or withdrawal at any time by the assigning rating agencies and should be evaluated independently of any other ratings.

LISTING

The NCDs offered through this Draft Shelf Prospectus along with the Shelf Prospectus and relevant Tranche Prospectus are proposed to be listed on the BSE Limited ("**BSE**") and the National Stock Exchange of India Limited ("**NSE**" along with BSE, the "**Stock Exchanges**"). Our Company has received an 'in-principle' approval from BSE *vide* its letter no. [●] and NSE *vide* its letter no. [●] dated [●]. For the purposes of the Issue BSE shall be the Designated Stock Exchange.

PUBLIC COMMENTS

This Draft Shelf Prospectus dated March 31, 2021 shall be filed with BSE and NSE, pursuant to Regulation 6(2) of the SEBI Debt Regulations and will be open for public comments for a period of seven Working Days (i.e., until 5 p.m.) from the date of filing of this Draft Shelf Prospectus with the Designated Stock Exchange. All comments on this Draft Shelf Prospectus are to be forwarded to the attention of the Compliance Officer of our Company. Comments may be sent through post, facsimile or e-mail. However, please note that all comments by post must be received by the Issuer by 5:00 p.m. (Indian Standard Time) on the seventh Working Day from the date on which this Draft Shelf Prospectus is hosted on the website of the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE	DEBENTURE TRUSTEE**	REGISTRAR TO THE ISSUE
Edelweiss Ideas create, values protect	BEACON TRUSTEESHIP	KFINTECH
EDELWEISS FINANCIAL SERVICES LIMITED Edelweiss House, Off CST Road, Kalina, Mumbai - 400 098, Maharashtra, India **Telephone No.**: +91 22 4086 3535 **Facsimile No.**: +91 22 4086 3610 **Email**: Icclncd@edelweissfin.com **Investor Grievance Email**: customerservice.mb@edelweissfin.com **Website**: www.edelweissfin.com **Contact Person**: Mr. Lokesh Singhi **SEBI Registration No.**: INM0000010650 **Compliance Officer**: Mr. B. Renganathan **CIN**: L99999MH1995PLC094641	**BEACON TRUSTEESHIP LIMITED**** 4 C&D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club Bandra (East), Mumbai- 400 051 **Tel: +91 22 26558759** **Email:** compliance@beacontrustee.co.in **Investor Grievance e-mail:** investorgrievances@beacontrustee.co.in **Website:** www.beacontrustee.co.in **Contact Person:** Mr. Vitthal Nawandhar **SEBI Registration Number:** IND000000569 **CIN:** U74999MH2015PLC271288	**KFIN TECHNOLOGIES PRIVATE LIMITED** (*formerly known as Karvy Fintech Private Limited*) Selenium Tower B, Plot No – 31 & 32, Financial District, Nanakramguda, Serilingampally Hyderabad Rangareddy, Telangana– 500 032 **Telephone No.**: +91 40 6716 2222; **Facsimile No.**: +91 40 2343 1551 **Email**: iccl.ncdipo@kfintech.com **Investor Grievance Email**: einward.ris@kfintech.com **Website**: www.kfintech.com **Contact Person**: Mr. M Murali Krishna **SEBI Registration. No.**: INR000000221 **CIN:** U67200TG2017PTC117649

ISSUE PROGRAMME*

ISSUE OPENS ON: As specified in the relevant Tranche Prospectus	**ISSUE CLOSES ON:** As specified in the relevant Tranche Prospectus

** The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or Bond Issue Committee thereof. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement on or before such earlier or extended date of Issue closure in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given. Applications Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by BSE and NSE, on Working Days, during the Issue Period. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. to 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by BSE and NSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. For further details please refer to the section titled "Issue Related Information" on page 196 of this Draft Shelf Prospectus.*

*** Beacon Trusteeship Limited under regulation 4(4) of SEBI Debt Regulations has by its letter dated March 29, 2021 has given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in Offer Document and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue. For further details, please see Annexure C of this Draft Shelf Prospectus.*

A copy of the Shelf Prospectus and relevant Tranche Prospectus shall be filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana, in terms of section 26 and 31 of the Companies Act, 2013, applicable as on date of the Shelf Prospectus along with the endorsed/certified copies of all requisite documents. For further details please see "Material Contracts and Documents for Inspection" on page 268 of this Draft Shelf Prospectus.

TABLE OF CONTENTS

SECTION I-GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, all references in this Draft Shelf Prospectus to "the Issuer", "our Company", "the Company" or "ICCL" are to Indiabulls Commercial Credit Limited, a public limited company incorporated under the Companies Act, 1956, as amended and replaced from time to time, having its registered office at M-62 & 63, First Floor, Connaught Place, New Delhi – 110 001, India. Unless the context otherwise indicates, all references in this Draft Shelf Prospectus to "we" or "us" or "our" are to our Company and its Subsidiary, on a consolidated basis. Unless the context otherwise indicates or implies, the following terms have the following meanings in this Draft Shelf Prospectus, and references to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended from time to time.

Company related terms

Term	Description
₹/Rs./INR/Rupees/Indian Rupees	The lawful currency of the Republic of India
Articles/ Articles of Association/AoA	Articles of Association of our Company
Asset Liability Management Committee or ALCO	Asset Liability Management Committee of the Board of Directors
Audit Committee	Audit committee of the Board of Directors
"Auditors" or "Statutory Auditors"	The statutory auditors of the Company, Ajay Sardana Associates, Chartered Accountants.
Board/ Board of Directors	Board of Directors of our Company or a duly constituted committee thereof
Bond Issue Committee	The committee constituted and authorised by our Board of Directors to take necessary decisions with respect to the Issue by way a board resolution dated August 13, 2018
Chairman	The chairman of our Board of Directors, Mr. Ajit Kumar Mittal
Corporate Office	"Indiabulls House", Tower I, 18th Floor, One International Centre, S. B. Marg, Elphinstone Road, Mumbai 400 013
Corporate Social Responsibility Committee	Corporate Social Responsibility Committee of the Board of Directors
Director(s)	Director of our Company, unless otherwise specified
DSA	Direct Selling Agent
Equity Shares	Equity shares of our Company of face value of ₹10 each
Group Companies	Includes the group companies covered by the definition under regulation 2(1)(t) of the SEBI ICDR Regulations
Half-year Limited Review Financial Results	The unaudited standalone interim financial information for the half-year ended September 30, 2020 prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015
IHFL	Indiabulls Housing Finance Limited
Key Managerial Personnel	The Key Managerial Personnel of the Company appointed in accordance with the provisions of SEBI ICDR Regulations and the Companies Act, 2013
Limited Review Financial Statements	The Half-year Limited Review Financial Results and Nine-months Limited Review Financial Results collectively to be referred as Limited Review Financial Results
Memorandum/ Memorandum of Association/ MoA	Memorandum of Association of our Company
Nine-months Limited Review Financial Results	The unaudited interim standalone financial information for the nine month period ended December 31, 2020 prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015

Term	Description
Networth	As defined in Sec 2(57) of the Companies Act, 2013, as follows: "*Networth means the aggregate value of the paid-up share capital and all reserves created out of the profits, securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet but does not include reserves created out of revaluation of assets, write back of depreciation and amalgamation.*"
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board of Directors
Preference Shares	10% cumulative compulsorily convertible preference shares of the face value of ₹10/- each of the Company
Promoter	The promoter of our Company, being Indiabulls Housing Finance Limited
Promoter Group	Includes the Promoter and entities covered by the definition under regulation 2(1)(zb) of the SEBI ICDR Regulations
Reformatted Financial Statements	Collectively, the Reformatted IND AS Financial Statements and Reformatted IGAAP Financial Statements
Reformatted IGAAP Financial Statements	The Reformatted Statement of Assets and Liabilities as at March 31, 2018, March 31, 2017 and March 31, 2016, the Reformatted Statement of Profit and Loss and the Reformatted Statement of Cash Flows for the years ended March 31, 2018, March 31, 2017 and March 31, 2016 and a summary of the significant accounting policies and other explanatory information for the years then ended, each prepared in accordance with Indian GAAP The audited financial statements as at and for the years ended March 31, 2018, March 31, 2017 and March 31, 2016 form the basis for such Reformatted IGAAP Financial Statements
Reformatted IND AS Financial Statements	The Reformatted Statement of Assets and Liabilities as at March 31, 2020 and March 31, 2019, the Reformatted Standalone Statement of Profit and Loss (including other comprehensive income), the Reformatted Statement of Cash Flows and the Reformatted Statement of Changes in Equity for the years ended March 31, 2020 and March 31, 2019 and a summary of the significant accounting policies and other explanatory information for the years then ended, each prepared in accordance with IND AS The audited financial statements as at and for the year ended March 31, 2020 and March 31, 2019, form the basis for such Reformatted IND AS Financial Statements
Integrated Risk Management Committee	Integrated Risk management committee of the Board of Directors
Registered Office	M-62 and 63, First Floor, Connaught Place, New Delhi – 110 001, India
RoC	Registrar of Companies, National Capital Territory of Delhi and Haryana
Statutory Auditor/Auditor	The statutory auditor of our Company, being Ajay Sardana Associates, Chartered Accountants
Subsidiary	The subsidiary of our Company, namely, Indiabulls Asset Management Mauritius

ISSUE RELATED TERMS

Term	Description
Abridged Prospectus	The memorandum containing the salient features of the Shelf Prospectus and the respective Tranche Prospectus
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form
Allotment/ Allot/ Allotted	The issue and allotment of the NCDs to successful Applicants pursuant to the 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 part, pursuant to the Issue

Term	Description
Applicant/ Investor/ ASBA Applicant	A person who applies for the issuance and Allotment of NCDs pursuant to the terms of this Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus, the Abridged Prospectus and the Application Form for respective Tranche Issue through ASBA process or through UPI Mechanism
Application	An application to subscribe to the NCDs (whether physical or electronic) offered pursuant to the Issue by submission of a valid Application Form and payment of the Application Amount by any of the modes as prescribed under the Shelf Prospectus and respective Tranche Prospectus(es)
Application Amount	The aggregate value of the NCDs applied for as indicated in the Application Form for the 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 in terms of the Shelf Prospectus and the respective Tranche Prospectus
"ASBA" or "Application Supported by Blocked Amount" or "ASBA Application"	An application (whether physical or electronic) to subscribe to the NCDs offered pursuant to the Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account 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 individual investors which will be considered as the application for Allotment in terms of the Shelf Prospectus and the relevant Tranche 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 upto ₹ 2,00,000
ASBA Circular	Circular no. CIR/DDHS/P/121/2018 issued by SEBI on August 16, 2018
Banker(s) to the Issue	Collectively, the Public Issue Account Bank, Sponsor Bank and the Refund Bank
Base Issue	As will be specified in the relevant Tranche Prospectus for each Tranche Issue
Basis of Allotment	As will be specified in the relevant Tranche Prospectus for each Tranche Issue
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Brickwork	Brickwork Ratings India Private Limited
Broker Centres	Broker Centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms (including ASBA Forms under UPI in case of UPI Investors) to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Trading Members are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com
BSE	BSE Limited
CARE	CARE Ratings Limited
Category I – Institutional Investors	• 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 minimum corpus of ₹ 25 crore, and superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Alternative Investment Funds subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended; • Venture Capital Funds registered with SEBI; • Insurance Companies registered with IRDA; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India;

Term	Description
	• 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; • Systemically important non-banking financial companies being non-banking financial companies registered with the Reserve Bank of India and having a net worth of more than ₹ 500 crore as per its last audited financial statements; and • Mutual Funds registered with SEBI
Category II – Non-Institutional Investors	• Companies within the meaning of section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Public/private charitable/ religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorized to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons
Category III – High Net-Worth Individuals	High Net-worth individuals which include Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹10 Lakh across all series of NCDs in Issue
Category IV – Retail Individual Investors	Resident Indian individuals or HUFs applying through the Karta, for NCDs for an amount aggregating up to and including ₹10 Lakh, across all series of NCDs in a Tranche 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
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account
Consortium/ Members of the Consortium (each individually, a Member of the Consortium)	The Lead Manager and Consortium Members
Consortium Agreement / Lead Broker Agreement	As specified under the respective Tranche Prospectus
Consortium Members / Lead Brokers	As specified under the respective Tranche Prospectus
CDP/ Collecting Depository Participant	A depository participant, as defined under the Depositories Act, 1996, as amended, and registered under Section 12(1A) of 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
Coupon/ Interest Rate	As specified under the respective Tranche Prospectus
Credit Rating Agencies	For the present Issue, the credit rating agencies, being Brickwork and CARE
CRISIL	CRISIL Limited
Debenture Trustee Agreement	The agreement dated March 25, 2021 entered into between the Debenture Trustee and our Company
Debenture Trust Deed	The trust deed to be entered into between the Debenture Trustee and our Company
Debenture Trustee/ Trustee	Debenture Trustee for the NCD Holders in this Issue being Beacon Trusteeship Limited

Term	Description
Debt Application Circular	Circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 issued by SEBI and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI
Debt UPI 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.
Deemed Date of Allotment	The date on which the Board of Directors or the Bond Issue Committee approves the Allotment of the NCDs for each Tranche Issue or such date as may be determined by the Board of Directors or the Bond Issue Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the NCD Holders from the Deemed Date of Allotment
Demographic Details	The details of an Applicant, such as his address, bank account details, UPI ID, Permanent Account Number, Category for printing on refund orders, and occupation which are based on the details provided by the Applicant in the Application Form.
Depositories Act	The Depositories Act, 1996, as amended
Depository(ies)	National Securities Depository Limited (NSDL) and /or Central Depository Services (India) Limited (CDSL)
DP / Depository Participant	A depository participant as defined under the Depositories Act
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Applications and a list of which is available on https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes or at such other website as may be prescribed by SEBI from time to time
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the respective websites of the Stock Exchange (www.bseindia.com and www.nseindia.com) as updated from time to time
Designated Date	The date on which Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the Public Issue Account(s) or to the Refund Account, as appropriate, in terms of the Shelf Prospectus and relevant Tranche Prospectus and the Public Issue Account and Sponsor Bank Agreement
Designated Intermediary(ies)	Collectively, the Lead Manager, the Consortium Members, Lead Brokers, agents, SCSBs, Trading Members, CDPs and RTAs, who are authorised to collect Application Forms from the Applicants in the Issue 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 Manager, Consortium Members, Lead Brokers, 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 locations of the RTAs where Applicants can submit the Application Forms to RTAs. The details of such Designated RTA Locations, along with 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 website of the Stock Exchanges at https://www.bseindia.com/ and https://www.nseindia.com/, as updated from time to time.
Designated Stock Exchange	BSE Limited
Direct Online Application	An online interface enabling direct applications through UPI by an application based/web interface, by investors to a public issue of debt securities with an online payment facility.

Term	Description
Draft Shelf Prospectus	This Draft Shelf Prospectus dated March 31, 2021 filed by our Company with the Designated Stock Exchange for receiving public comments in accordance with the provisions of the SEBI Debt Regulations and to SEBI for record purpose
Edelweiss	Edelweiss Financial Services Limited
Interest/ Coupon Payment Date	As specified under the respective Tranche Prospectus
Issue	Public issue by our Company of NCDs of face value of ₹ 1,000 each, aggregating up to ₹ 1,000 crores ("**Shelf Limit**"). 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 respective tranche issue (each a "**Tranche Issue**"), which should be read together with this Draft Shelf Prospectus and the Shelf Prospectus (collectively the "**Offer Documents**")
Issue Agreement	Agreement dated March 31, 2021 between our Company and the Lead Manager
Issue Closing Date	As specified in the relevant Tranche Prospectus
Issue Opening Date	As specified in the relevant Tranche Prospectus
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days during which prospective Applicants may submit their Application Forms
Lead Manager/ LM	Edelweiss Financial Services Limited
Market Lot	One NCD
NCDs	Secured redeemable non-convertible debentures of face value of ₹ 1,000 each
NCD Holder/ Debenture Holder(s)/ Bond Holder(s)	Holder of secured redeemable non-convertible debentures of face value of ₹ 1,000 each
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA.OCBs are not permitted to invest in the Issue
Offer Document	This Draft Shelf Prospectus, the Shelf Prospectus and the relevant Tranche Prospectus
Public Issue Account	An account opened with the Banker(s) to the Issue to receive monies for allotment of NCDs from the ASBA Accounts on the Designated Date as specified for respective Tranche Prospectus
Public Issue Account Bank	As specified in the relevant Tranche Prospectus
Public Issue Account and Sponsor Bank Agreement	As specified in the relevant Tranche Prospectus
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 (as specified under respective Tranche Prospectus) prior to the date on which interest is due and payable, and/or the date of redemption or such other date as may be determined by the Board of Directors or the Bond Issue Committee from time to time in accordance with the applicable law. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchanges, as the case may be. In case Record Date falls on a day when Stock Exchanges are having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.
Recovery Expense Fund	An amount of ₹25 Lakhs deposited by our Company with the Designated Stock Exchange.
Redemption Amount	As specified in the relevant Tranche Prospectus
Redemption Date	The date on which our Company is liable to redeem the NCDs in full as specified in the relevant Tranche Prospectus
Refund Account	As specified in the relevant Tranche Prospectus
Refund Bank(s)	As specified in the relevant Tranche Prospectus

Term	Description
Register of Debenture Holders	The Register of debenture holders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013
Registered Broker or Brokers	Stock brokers registered with SEBI under the Securities and Exchange Board of India (Stock Brokers) Regulations, 1992, as amended and the stock exchanges having nationwide terminals, other than the Members of the Consortium and eligible to procure Applications from Applicants
Registrar to the Issue/ Registrar / RTA / Share Transfer Agent	KFIN Technologies Private Limited (*formerly known as Karvy Fintech Private Limited*)
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 the Issue
Series	As specified in the relevant Tranche Prospectus
Security	The NCDs proposed to be issued will be secured by a first ranking *pari passu* charge on present and future receivables and current assets (including investments) of the Issuer for the principal amount and accrued interest thereon created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed. The NCDs will have a minimum asset cover of one time on the principal amount and interest thereon. The Issuer reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a charge on pari passu or exclusive basis thereon for its present and future financial requirements, provided that a minimum-security cover of one time on the principal amount and accrued interest thereon, is maintained, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection. However, if consent and/or intimation is required under applicable law, then the Company shall obtain such consents and/ or intimation in accordance with such law. 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.
Self-Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994, as amended, and offer services in relation to ASBA and UPI, a list of which is available on http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html and https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=40 for UPI, updated from time to time or at such other website as may be prescribed by SEBI from time to time
Shelf Limit	The aggregate limit of the Issue, being ₹ 1,000 crore to be issued under this Draft Shelf Prospectus, the Shelf Prospectus and Tranche Prospectus(es) through one or more Tranche Issues
Shelf Prospectus	The Shelf Prospectus to be filed by our Company with the SEBI, NSE, BSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations The Shelf Prospectus shall be valid for a period as prescribed under section 31 of the Companies Act, 2013
Specified Cities/Specified Locations	Bidding Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Consortium Members, Broker Centres for Trading Members, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Sponsor Bank	A Banker to the Issue, registered with SEBI, which is appointed by the Issuer to act as a conduit between the Stock Exchanges and NPCI in order to push the mandate collect requests and / or payment instructions of the retail individual investors into the UPI for retail individual investors applying through the app/web interface of the Stock Exchange(s) with a facility to block funds through UPI Mechanism for application value upto ₹ 2,00,000 and carry out any other responsibilities in terms of the UPI Mechanism Circular.
Stock Exchanges	BSE and NSE

Term	Description
Syndicate or Members of the Syndicate	Collectively, the Consortium Members appointed in relation to the Issue
Syndicate ASBA Application Locations	ASBA Applications through the Lead Manager, Consortium Members or the Trading Members of the Stock Exchanges only in the Specified Cities
Syndicate ASBA	Applications through the Members of the Syndicate or the Designated Intermediaries
Syndicate SCSB Branches	In relation to ASBA Applications submitted to a Member of the Syndicate, such branches of the SCSBs at the Syndicate ASBA Application Locations named by the SCSBs to receive deposits of the Application Forms from the members of the Syndicate, and a list of which is available on http://www.sebi.gov.in/sebi_data/attachdocs/1365051213899.html or at such other website as may be prescribed by SEBI from time to time
Tier I capital	Tier I Capital means owned fund as reduced by investment in shares of other NBFC and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiary and companies in the same group exceeding, in aggregate, 10% of the owned fund and perpetual debt instruments issued by a Systemically important non-deposit taking non-banking financial company in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year
Tier II capital	Tier II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) General Provisions (including that for Standard Assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; and (f) perpetual debt instruments issued by a systemically important non- deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent the aggregate does not exceed Tier I capital
Tenor	Tenor shall mean the tenor of the NCDs as specified in the relevant Tranche Prospectus
Transaction Registration Slip or TRS	The acknowledgement slip or document issued by any of the Designated Intermediary to an Applicant upon demand as proof of registration of the Application Form
Trading Members	Intermediaries registered with a Broker under the SEBI (Stock Brokers) Regulations, 1992 and/or with the Stock Exchange under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchange from time to time and duly registered with the Stock Exchange for collection and electronic upload of Application Forms on the electronic application platform provided by the Stock Exchange
Tranche Issue	Issue of the NCDs pursuant to the respective Tranche Prospectus
Tranche Prospectus	The Tranche Prospectus(es) containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts and documents for inspection, and any other information in respect of the relevant Tranche Issue
Tripartite Agreements	Tripartite agreement dated April 11, 2018 among our Company, the Registrar and CDSL and tripartite agreement dated May 18, 2017 among our Company, the Registrar and NSDL
"UPI" or "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 upto ₹ 2,00,000 submitted through intermediaries, namely the Registered Stock brokers, Registrar and Transfer Agent and Depository Participants.

Term	Description
UPI ID	Identification created on the UPI for single-window mobile payment system developed by the National Payments Corporation of India.
“UPI Mandate Request” or “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 and includes a company whose director or promoter is categorized as such
Working Day(s)	Working Day means all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to 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 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, as per SEBI circular CIR/DDHS/P/121/2018 dated August 16, 2018, however, with reference to payment of interest/redemption of NCDs, Working Days shall mean those days wherein the money market is functioning in Mumbai.

Conventional and general terms or abbreviation

Term/Abbreviation	Description/ Full Form
AGM	Annual General Meeting
AS	Accounting Standards issued by Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
AUM	Asset Under Management
CAGR	Compounded Annual Growth Rate and is calculated by dividing the value at the end of the period in question by corresponding value at the beginning of that period, and raiding the result to the power of one divided by the period length, and subtracting one from the subsequent result
CDSL	Central Depository Services (India) Limited
Companies Act/ Act	The Companies Act, 1956 or the Companies Act 2013, to the extent notified by the Ministry of Corporate Affairs and in force as on the date, as the case may be, as amended and replaced from time to time
Companies Act, 1956	Companies Act, 1956, as amended and as applicable
Companies Act, 2013	The Companies Act, 2013, as amended
CRAR	Capital to Risk-Weighted Assets Ratio
CRPC	Code of Criminal Procedure, 1973, as amended
CSR	Corporate Social Responsibility
ECB	External Commercial Borrowings
ECS	Electronic Clearing Scheme
Depositories Act	Depositories Act, 1996, as amended
Depository(ies)	CDSL and NSDL
DIN	Director Identification Number
DP/ Depository Participant	Depository Participant as defined under the Depositories Act
DRR	Debenture Redemption Reserve
FCNR	Foreign Currency Non-Repatriable
FDI	Foreign Direct Investment
FDI Policy	The Government policy, rules and the regulations (including the applicable provisions of the FEMA Non-Debt Rules) issued by the Government of India

Term/Abbreviation	Description/ Full Form
	prevailing on that date in relation to foreign investments in our Company's sector of business as amended from time to time
FEMA	Foreign Exchange Management Act, 1999, as amended
Financial Year/ Fiscal/ FY	Period of 12 months ended March 31 of that particular year
FIR	First Information Report
GDP	Gross Domestic Product
GoI or Government	Government of India
HNI	High Net worth Individual
HUF	Hindu Undivided Family
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, 1961, as amended
Income Tax Rules	Income Tax Rules, 1962, as amended
India	Republic of India
IND AS / Ind AS	Indian Accounting Standard
Indian GAAP	Generally Accepted Accounting Principles followed in India
IRDA	Insurance Regulatory and Development Authority
IT	Information Technology
MCA	Ministry of Corporate Affairs, GoI
MoF	Ministry of Finance, GoI
NACH	National Automated Clearing House
NBFC	Non-Banking Financial Company, as defined under applicable RBI guidelines
NEFT	National Electronic Fund Transfer
Negotiable Instruments Act	Negotiable Instruments Act, 1881, as amended
NPA	Non-Performing Assets
NRI or "Non-Resident"	A person resident outside India, as defined under the FEMA
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
PCG	Partial Credit Enhancement Guarantee
QIP	Qualified Institutions Placement
RBI	Reserve Bank of India
RBI Act	Reserve Bank of India Act, 1934, as amended
RTGS	Real Time Gross Settlement
SARFAESI Act	Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
WCDL	Working Capital Demand Loan

Business/ Industry related terms

Term/Abbreviation	Description/ Full Form
Adjusted CRAR	Adjusted capital to risk (weighted) assets ratio (Considering nil risk weightage on mutual fund investments)
ASSOCHAM	The Associated Chambers of Commerce and Industry of India

Term/Abbreviation	Description/ Full Form
ALM	Asset Liability Management
AUM under Ind AS	Loan book as per Reformatted Financial Information under IND AS and includes loan assets sold under direct assignment
AUM under Indian GAAP	Loan book as per Reformatted Financial Information under Indian GAAP
CAGR	Compounded Annual Growth Rate
CIBIL	Credit Information Bureau (India) Limited
CRISIL Report	CRISIL Research – NBFC Report 2020 released in Mumbai in December 2020 dated December 2020 prepared by CRISIL Limited
ECB	External Commercial Borrowings
ECL	Expected Credit Losses
EMI	Equated monthly instalment
FSI	Floor Space Index
KYC	Know Your Customer
LAP	Loan Against Property
Loan Book as per Ind AS / Loans excluding Impairment loss allowance	Aggregate of loan assets, accrued interest on loan assets, unamortized loan origination costs, less unamortized processing fee as determined under Ind AS
Loan Book as per Indian GAAP	Aggregate of loan assets (secured and unsecured which has been shown as part of short-term and long-term loans and advances)
LTV	Loan-to-value ratio
Net NPAs	Gross NPAs less provisions for NPAs
PMLA	Prevention of Money Laundering Act, 2002, as amended
ROE	Return on Equity
SCB	Scheduled Commercial Bank
Stage 1 Asset	Stage 1 Assets includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date as defined under IND AS
Stage 1 Provision	Stage 1 provision are 12-month ECL resulting from default events that are possible within 12 months after the reporting date as defined under IND AS
Stage 2 Asset	Stage 2 Assets includes financial instruments that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment as defined under IND AS
Stage 2 Provision	Stage 2 provision are life time ECL resulting from all default events that are possible over the expected life of the financial instrument as defined under IND AS
Stage 3 Asset	Stage 3 Assets includes financial assets that have objective evidence of impairment at the reporting date as defined under IND AS
Stage 3 Provision	Stage 3 provision are life time ECL resulting from all default events that are possible over the expected life of the financial instrument as defined under IND AS
Gross NPAs/GNPAs	Aggregate of receivable from financing business considered as non-performing assets (secured and unsecured which has been shown as part of short term loans and advances and long term loans and advances) and non performing quoted and unquoted credit substitute forming part of stock in trade

Notwithstanding anything contained herein, capitalised terms that have been defined in "*Capital Structure*", "*Regulations and Policies*", "*History and other Corporate Matters*", "*Statement of Tax Benefits*", "*Our Management*", "*Financial Statements",* "*Financial Indebtedness*", "*Outstanding Litigations and Defaults",* "*Issue Procedure*" and "*Main Provisions of the Articles of Association of our Company*" on pages 60, 112, 109, 68, 125, 149, 155, 169, 216 and 244 respectively of this Draft Shelf Prospectus will have the meanings ascribed to them in such sections.

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

Certain Conventions

All references in this Draft Shelf Prospectus to "*India*" are to the Republic of India and its territories and possessions and all references to the "Government", the "Central Government" or the "State Government" are to the Government of India, central or state, as applicable.

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

Presentation of Financial Information

Our Company's financial year commences on April 1 of the immediately preceding calendar year and ends on March 31 of that particular calendar year, so all references to a particular financial year or fiscal are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year. Unless the context requires otherwise, all references to a year in this Draft Shelf Prospectus are to a calendar year and references to a Fiscal/Fiscal Year are to the year ended on March 31 of that calendar year.

Our Company publishes its financial statements in Rupees. Our Company's financial statements as at and for the years ended March 31, 2018, March 31, 2017 and March 31, 2016 have been prepared in accordance with Indian GAAP including the Accounting Standards notified under the Companies Act read with the General Circular 8/2014 dated April 4, 2014. With effect from April 1, 2018, as per the roadmap issued by the Ministry of Corporate Affairs for Non-Banking Finance Companies dated January 18, 2016, for financial reporting purposes, our Company has followed the Accounting Standards issued by the ICAI specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 ("**Ind AS**"). Accordingly, our Company's financial statements as at and for the year ended March 31, 2019 and March 31, 2020 has been prepared in accordance with Ind AS.

The Reformatted Financial Statements and the Limited Review Financial Results are included in this Draft Shelf Prospectus. The reports on the Reformatted Financial Statements and the Limited Review Financial Results, as issued by the Statutory Auditors, Ajay Sardana Associates, Chartered Accountants of our Company, are included in this Draft Shelf Prospectus in "*Financial Statements*" on page 149 of this Draft Shelf Prospectus.

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

Unless stated otherwise, the financial data for (i) the nine month period ended December 31, 2020, and (ii) the six month period ended September 30, 2020 is derived from the Limited Review Financial Results under Ind AS included in this Draft Shelf Prospectus (ii) the financial year ended on March 31, 2020 and March 31, 2019 is derived from the Reformatted IND AS Financial Statements included in this Draft Shelf Prospectus, and (iii) the financial data for the financial years ended on March 31, 2018, March 31, 2017 and March 31, 2016 is derived from the Reformatted IGAAP Financial Statements used in this Draft Shelf Prospectus.

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

Further, the financial data and numbers used in this Draft Shelf Prospectus are under Ind AS and IGAAP, as specifically mentioned in this Draft Shelf Prospectus and is not strictly comparable.

Further, financial information for the quarter and six month period ended September 30, 2020 and quarter and nine month period ended December 31, 2020 is not indicative of full year results and are not comparable with annual financial information.

There are significant differences between Ind AS, Indian GAAP, US GAAP and IFRS. We urge you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Ind AS financial statements included in this Draft Shelf Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Shelf Prospectus should accordingly be limited.

Currency and Unit of Presentation

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

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

Industry and Market Data

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

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

Exchange Rates

The exchange rates Rupees (₹) vis-a-vis of USD, as of December 31, 2020 and March 31, 2020, 2019, 2018, 2017 and 2016 are provided below:

Currency	**December 31, 2020**	**March 31, 2020**	**March 31, 2019**	**March 31, 2018**	**March 31, 2017**	**March 31, 2016**
1 USD	73.51	75.39	69.17	65.04	64.84	66.33

Source:*https://www.fbil.org.in/#/home*and*https://www.rbi.org.in/scripts/ReferenceRateArchive.aspx(underwww.rbi.org.in)*

In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered. "The above exchange rates are for the purpose of information only and may not represent the rates used by the Company for purpose of preparation or presentation of its financial statements. The rates presented are not a guarantee that any person could have on the relevant date converted any amounts at such rates or at all."

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Draft Shelf 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 Draft Shelf 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 to differ materially from our expectations include, among others:

- the impact of COVID-19 pandemic on the economy, our business and operations;
- our ability to manage our credit quality;
- interest rates and inflation in India;
- volatility in interest rates for our lending and investment operations as well as the rates at which our Company borrows from banks/financial institution;
- general, political, economic, social and business conditions in Indian and other global markets;
- our ability to successfully implement our strategy, growth and expansion plans;
- competition from our existing as well as new competitors;
- change in the government regulations and/or directions issued by the RBI in connection with NBFCs;
- availability of adequate debt and equity financing at commercially acceptable terms;
- performance of the Indian debt and equity markets;
- our ability to comply with certain specific conditions prescribed by the GoI in relation to our business changes in laws and regulations applicable to companies in India, including foreign exchange control regulations in India; and
- other factors discussed in this Draft Shelf Prospectus, including under the chapter "*Risk Factors*" on page 17 of this Draft 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 in ***"Our Business"*** and ***"Outstanding Litigations and Defaults"*** on pages 92 and 169 respectively of this Draft Shelf Prospectus.

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

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

SECTION II-RISK FACTORS

Prospective investors should carefully consider all the information in this Draft Shelf Prospectus, including the risks and uncertainties described below, and under the section "Our Business" on page 92 of this Draft Shelf Prospectus and under "Financial Statements" on page 149 of this Draft Shelf Prospectus, before making an investment in the NCDs. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business prospects, results of operations, cash flows and financial condition. The following risk factors are determined on the basis of their materiality. In determining the materiality of risk factors, we have considered risks which may not be material individually but may be material when considered collectively, which may have a qualitative impact though not quantitative, which may not be material at present but may have a material impact in the future. Additional risks, which are currently unknown, if materialises, may in the future have a material adverse effect on our business, financial condition and results of operations. If any of the following or any other risks actually occur, our business prospects, results of operations, cash flows and financial condition could be adversely affected and the price of and the value of your investment in the NCDs could decline and you may lose all or part of your redemption amounts and/ or interest amounts. You should consult your own tax, financial and legal advisors about the particular consequences of an investment in the NCDs.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in the below risk factors. The numbering of risk factors has been done to facilitate ease of reading and reference, and does not in any manner indicate the importance of one risk factor over another.

In this section, unless the context otherwise requires, a reference to "our Company", is a reference to Indiabulls Commercial Credit Limited on a standalone basis and references to "we", "us", and "our" are to our Company and its Subsidiary on consolidated basis. Unless otherwise specifically stated in this section, financial information included in this section have been derived from our Reformatted Financial Statements.

Investors are advised to read the following risk factors carefully before making an investment in the NCDs offered in this Issue. You must rely on your examination of our Company and this Issue, including the risks and uncertainties involved.

Internal Risks and Risks Associated with our Business

1. ***Recent outbreak of the novel coronavirus could have a significant effect on our results of operations and could negatively impact our business, revenues, financial condition and result of operations.***

   The World Health Organization declared the 2019 novel coronavirus ("**COVID-19**") outbreak a Public Health Emergency of International Concern on January 30, 2020, and a pandemic on March 11, 2020. On March 14, 2020, India declared COVID -19 as a "notified disaster" and imposed a nationwide lockdown as announced on March 24, 2020. The rapid outbreak of the COVID-19 pandemic has severely impacted the physical and financial health of the people across the globe and our business could be materially and adversely affected by the outbreak of the present public health epidemics. To prevent the contagion in the country, multiple phases of nationwide lockdown were announced by the Government of India. A slowdown in global economic growth or in economic growth in India (including as a result of the COVID-19 pandemic) could exert downward pressure on the demand for our products and services, which could have an adverse effect on our business, cash flows, financial condition and results of operations. It is anticipated that these impacts will continue for some time. While progressive relaxations have been granted for movement of goods and people within the country, and for cautious re-opening of businesses and offices, nation-wide or regional lockdowns may be re-introduced in the future. Further, while the Government has initiated vaccination drives for COVID-19 in a phased manner across various States, any delay or unfavorable outcome associated with such vaccines may have an adverse impact on the relaxations granted by the Government.

   Amongst various measures announced to mitigate the economic impact from the COVID -19 pandemic, the Reserve Bank of India issued circulars dated March 27, 2020, April 17, 2020 and May 23, 2020 (the "**RBI circulars**") allowing lending institutions to offer a moratorium to customers on payment of instalments falling due between March 1, 2020 and August 31, 2020. Our Company has reviewed these RBI Circulars and implemented certain policies and procedures in order to implement these measures to its customers. Given that the COVID -19 Pandemic and its impact remain a rapidly dynamic situation, the actual impact on our Company's loans and advances will depend on future developments, including, among other things, any new information concerning the severity of the COVID -19 pandemic and any action to contain its spread or mitigate its impact. While, our Company continue to monitor the developments of the COVID-19 situation closely, assess and respond proactively to minimize any adverse impacts on the financial position, cash flows and operating results of our Company, it is possible that the Company's business, financial condition and results of operations could be adversely affected due to the COVID-19 pandemic. If the COVID-19 situation persists or worsens, it may adversely impact our Company's business and the financial condition.

2. ***High levels of customer defaults and the resultant non-performing assets could adversely affect our Company's business, financial condition, results of operations and future financial performance***

Our Company's business comprises personal, business and other loans; and accordingly, our Company is subject to risks of customer default which includes default or delays in repayment of principal and/or interest on the loans our Company provides to its customers. Additionally, we offer unsecured personal loans targeted at a wide range of customers that meet our eligibility criteria. Defaults or delays in repayment of loans, particularly unsecured loans, could materially impact our business, financial condition and results of operations. Customers may default on their obligations as a result of various factors, including certain external factors, which may not be within our Company's control such as developments in the Indian economy and the real estate market, movements in global markets, changes in interest rates and changes in regulations. Any negative trends or financial difficulties affecting our Company's customers could increase the risk of their default. Customers could also be adversely affected by factors such as bankruptcy, lack of liquidity, lack of business and operational failure. If customers fail to repay loans in a timely manner or at all, our Company's financial condition and results of operations will be adversely impacted. To the extent our Company is not able to successfully manage the risks associated with lending to these customers, it may become difficult for our Company to make recoveries on these loans. In addition, our Company may experience higher delinquency rates due to prolonged adverse economic conditions or a sharp increase in interest rates. An increase in delinquency rates could result in a reduction in our Company's total interest income (i.e., our Company's accrued interest income from loans, including any interest income from credit substitutes) and as a result, lower revenue from its operations, while increasing costs as a result of the increased expenses required to service and collect delinquent loans, and make loan loss provisions as per applicable regulations. Our Company may also be required to make additional provisions in respect of loans to such customers in accordance with applicable regulations and, in certain cases, may be required to write-off such loans.

Our Company has in the past faced certain instances of customers defaulting and/or failing to repay dues in connection with loans or finance provided by our Company. Our Company had in certain instances initiated legal proceedings to recover the dues from its delinquent customers. For further details in relation to litigations, see *"Outstanding Litigation and Other Material Developments"* on page 169 of this Draft Shelf Prospectus. Customer defaults could also adversely affect our Company's levels of NPAs and provisions made for its NPAs, which could in turn adversely affect our Company's operations, cash flows and profitability. Our Company's gross NPAs as at March 31, 2019 and March 31, 2020 was ₹ 197.00 crore and ₹ 347.37 crore, respectively. As at March 31, 2020, our gross NPAs as a percentage of our AUM was 2.56%, and as at March 31, 2019, and March 31, 2018, our gross NPAs as a percentage of our AUM was 1.12% and 0.61% respectively. As at March 31, 2020, our net NPAs (which reflect our gross NPAs less provisions for ECL on NPAs (Stage 3)) as a percentage of our AUM was 2.00%, and as at March 31, 2019 our net NPAs (which reflect our gross NPAs less provisions for ECL on NPAs (Stage 3)) as a percentage of our AUM was 0.84 % and as at March 31, 2018 our net NPAs as per I GAAP (which reflect our gross NPAs less provisions for NPAs) was 0.40%.

Moreover, as our Company's loan portfolio as per Ind AS matures, our Company may experience increased defaults in principal or interest repayments. Thus, if our Company is not able to control or reduce its level of NPAs, the overall quality of its loan portfolio as per Ind AS may deteriorate and its results of operations may be adversely affected. Our Company's Stage 3 Provision was ₹ 76.65 crore as at March 31, 2020, ₹ 48.35 crore as at March 31, 2019 and our Provision for NPAs as per I GAAP ₹ 16.55 crore as at March 31, 2018, and its provisioning coverage ratio (i.e. on Gross NPA for which provisions has been created) was 22.07%, 24.54% and 33.42%, respectively, during these periods, which may not be comparable to that of other similar financial institutions. Moreover, there can be no assurance that there will be no further deterioration in our Company's provisioning coverage ratio or that the percentage of NPAs that our Company will be able to recover will be similar to its past experience in recovering its NPAs. In the event of any further deterioration in the quality of our Company's loan portfolio as per Ind AS, there could be further adverse impact on its results of operations. Defaults for a period of more than 90 days result in such loans being classified as "non-performing". If our Company is unable to effectively monitor credit appraisal, portfolio monitoring and recovery processes and the related deterioration in the credit quality of its loan portfolio as per Ind AS, the proportion of NPAs in its loan portfolio as per Ind AS could increase, which may, in turn, have a material adverse effect on our Company's business, financial condition, results of operation and future financial performance.

3. ***We have grown in the past but there can be no assurance that our growth will continue at a similar rate or that we will be able to manage our rapid growth. If we are unable to implement or sustain our growth strategy effectively it could adversely affect our business, results of operations and financial condition.***

We have experienced consistent growth in our business in the past. For instance, our revenue from operations for the year was ₹ 2,190.47 crore in Fiscal 2020, registering a CAGR of 53.63 % since Fiscal 2018. During this period, our AUM grew to ₹ 13,561.85 at a CAGR of 28.80%%. Our profit for the year was ₹ 19.81 crore for Fiscal 2020 and profit for the period was ₹ 277.97 crore in the nine month period ended December 31, 2020.

Our growth exposes us to a wide range of increased risks within India, including business risks, operational risks, fraud risks, regulatory and legal risks and the possibility that the quality of our AUM may decline. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to manage key issues such as selecting and retaining key management personnel, maintaining effective risk management policies, continuing to offer products which are relevant to our target base of clients, developing managerial experience to address emerging challenges and ensuring a high standard of client service. Going forward, we may not have adequate processes and systems such as credit appraisal and risk management to sustain this growth.

Our results of operations depend on a number of internal and external factors, including demand for finance in India, competition, our ability to expand geographically and diversify our product offerings and also significantly on our net interest income. Further, we cannot assure you that we will not experience issues such as capital constraints, difficulties in expanding our existing business and operations, and hiring and training of new personnel in order to manage and operate our expanded business.

Our business depends significantly on our marketing initiatives. There can be no assurance in relation to the impact of such initiatives and any failure to achieve the desired results may negatively impact our ability to leverage its brand value. There can also be no assurance that we would be able to continue such initiatives in the future in a similar manner and on commercially viable terms. Furthermore, any adverse publicity, about or loss of reputation of, our Company could negatively impact our results of operations.

If our Company grows its loan book too rapidly, or fails to make proper assessments of credit risks associated with new borrowers or new businesses, a higher percentage of the Company’s loans may become non-performing, which would have a negative impact on the quality of our Company’s assets and its business, prospects, financial condition and results of operations.

Any or a combination of some or all of the above-mentioned factors may result in a failure to maintain the growth of our AUM which may in turn have a material adverse effect on our business, results of operations, financial condition and cash flows.

4. ***We, our Promoter, our Subsidiary, Group Companies and certain of our Directors are party to certain legal proceedings and any adverse outcome in these or other proceedings may adversely affect our business.***

We are involved, from time to time, in legal and regulatory proceedings that are incidental to our operations and these involve proceedings filed by and against our Company. We, our Promoter, our Subsidiary, our Group Companies and certain of our Directors are involved in legal and regulatory proceedings which include, criminal proceedings, civil proceedings, arbitration cases, consumer proceedings, labour proceedings, tax investigations, cases filed by us under the Negotiable Instruments Act and applications under the SARFAESI Act challenging proceedings adopted by us towards enforcement of security interests. These proceedings are pending at different levels of adjudication before various courts, forums, authorities, tribunals and appellate tribunals. A significant degree of judgment is required to assess our exposure in these proceedings and determine the appropriate level of provisions, if any. There can be no assurance on the outcome of the legal proceedings or that the provisions we make will be adequate to cover all losses we may incur in such proceedings, or that our actual liability will be as reflected in any provision that we have made in connection with any such legal proceedings. For a summary of certain material legal proceedings involving our Company, our Promoter, our Subsidiary and Directors, see “*Outstanding Litigations and Defaults*” on page 169 of this Draft Shelf Prospectus.

We may be required to devote management and financial resources in the defense or prosecution of such legal proceedings. If a significant number of these disputes are determined against our Company and if our Company is required to pay all or a portion of the disputed amounts or if we are unable to recover amounts for which we have filed recovery proceedings, there could be a material and adverse impact on our reputation, business, financial condition and results of operations.

5. ***Our Company does not consolidate the financial statements of its Subsidiary, Indiabulls Asset Management Mauritius.***

Our Company has a wholly owned subsidiary, Indiabulls Asset Management Mauritius which was incorporated on June 17, 2016. The financial statements of Indiabulls Asset Management Mauritius have not been and will not be consolidated with the financial statements of the Company, in accordance with the notification dated July 27, 2016 issued by the Ministry of Corporate Affairs, Government of India d ("**MCA Notification**") and the relevant provisions of the Companies (Accounts) Rules, 2014, as amended.

Rule 6 of the Companies (Accounts) Rules, 2014, as amended, describes the manner of consolidation of accounts and states that consolidation of financial statements shall be made in accordance with the provisions of Schedule III of the Companies Act, 2013 and the applicable accounting standards. Pursuant to the MCA Notification and the Companies (Accounts) (Amendment) Rules, 2016, the proviso to Rule 6 of the Companies (Accounts) Rules, 2014 was substituted to exempt a company from consolidating the financial statements of its subsidiary if the ultimate or any intermediate holding company files consolidated financial statements with the registrar in compliance with the applicable accounting standards. Accordingly, our Company has not consolidated the financial statements of its Subsidiary, Indiabulls Asset Management Mauritius with its financial statements. However, in compliance with the provisions of Rule 6 of the Companies (Accounts) Rules, 2014, as amended, our Promoter, IHFL, being the holding company, consolidates the financial statements of our Company and Indiabulls Asset Management Mauritius with its financial statements.

6. ***Our top 20 borrowers have an exposure of 26.97% of our total advances as on March 31, 2020. Our inability to maintain relationship with such customers or any default and non-payment in future or credit losses of our single borrower or group exposure where we have a substantial exposure could materially and adversely affect our business, future financial performance and results of operations.***

Our concentration of advances with our top 20 borrowers is 26.97% of our total advances as on March 31, 2020. Our business and results of operations would be adversely affected if we are unable to maintain or further develop relationships with our significant customers. Our business and results of operations would majorly depend upon the timely repayment of the interest and principal from these large borrowers. We cannot assure you that we will not experience any delay in servicing of the loan or that we will be able to recover the interest and the principal amount of the loan. Any such delay or default will adversely affect our income from operation and thereby our profitability. In case we are unable to recover the complete the loan disbursed or any part of thereof, and the collateral is also not sufficient to recover our loan, our financial conditions may be adversely affected. We are dedicated to earning and maintaining the trust and confidence of our customers, and we believe that the good reputation created thereby, and inherent in our brand name, is essential to our business. As such, any damage to our reputation could substantially impair our ability to maintain or grow our business. There can be no assurance that we will be able to maintain the historic levels of business from these customers or that we will be able to replace these customers in case we lose any of them. The loss of any significant customer could have a material adverse effect on our results of operations. Moreover, failure to maintain sufficient credit assessment policies, particularly for small and medium enterprise borrowers, could adversely affect our credit portfolio, which could have a material and adverse effect on our results of operations and/ or financial condition.

7. ***We are vulnerable to the volatility in interest rates and we may face interest rate and maturity mismatches between our assets and liabilities in the future which may cause liquidity issues.***

Our operations are particularly vulnerable to volatility and mismatch in interest rates. Our net interest income and profitability directly depend on the difference between the average interest rate at which we lend and the average interest rate at which we borrow. The cost of our funding and the pricing of our loan products are determined by a number of factors, many of which are beyond our control, including the RBI's monetary policies, inflationary expectations, competition, domestic and international economic and political conditions and other factors. These factors could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest bearing liabilities. While any reduction in our cost of funds may be passed on to our customers, we may not have the same flexibility in passing on any increase in our cost of funds to our customers, thereby affecting our net interest income. Similarly, competition pressures may require us to reduce our cost of lending to our customers without a proportionate reduction in our cost of borrowing from our lenders. Further, if we do not pass on the reduced interest rates to our borrowers, it may result in some of the borrowers prepaying the loan to take advantage of the reduced interest rate environment, thereby impacting our growth and profitability. If interest rates rise, some or all of our lenders may increase the interest rates at which we borrow resulting in an increase in our effective cost of funds. We may or may not be able to pass on the increased interest rates to our borrowers simultaneously with the increase in our borrowing rates, or at all, thereby affecting our net interest income. Further, an increase in interest rates may result in some of our borrowers prepaying their loans by arranging funds from other sources, thereby impacting our growth and profitability. Additionally, an increase in general interest rates in the economy could reduce the overall demand for finance and impact our growth. There can be no assurance that we will be able to adequately manage our interest rate risk in the future, and if we are unable to do so, this could have an adverse effect on our net interest income, which could in turn have a material adverse effect on our business, results of operations and financial condition. We may also face potential liquidity risks due to mismatch in the maturity of our assets and liabilities. As is typical for a company in the business of lending, a portion of our funding requirements is met through short and medium-term funding sources such as bank loans, non-convertible debentures, commercial paper, cash credit or overdraft facilities. Our inability to obtain additional credit facilities or renew our existing credit facilities for matching tenure of our liabilities in a timely and cost effective manner or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our operations and financial performance.

8. ***Our Company is subject to supervision and regulation by the RBI, as an NBFC-ND-SI, and other regulatory authorities and changes in the RBI's regulations and other regulations, and the regulation governing our Company or the industry in which our Company operates could adversely affect its business.***

Our Company is regulated principally by the RBI and is subject to the RBI's guidelines on the regulation of the NBFC-ND-SIs, which includes, among other things, matters related to capital adequacy, exposure and other prudential norms. It also has reporting obligations to the RBI. The RBI also regulates the credit flow by banks to NBFC-ND-SIs and provides guidelines to commercial banks with respect to their investment and credit exposure norms for lending to the NBFC-ND-SIs. The RBIs regulation of NBFC-ND-SIs may change in the future which may require our Company to restructure its activities, incur additional costs or could otherwise adversely affect its business and financial performance. In order to provide enhanced control, existing rules and regulations have been modified, new rules and regulations have been enacted and reforms have been implemented. There can be no assurance that the RBI and/or the Government will not implement further regulations or policies, including legal interpretations of existing regulations, relating to or affecting interest rates, taxation, inflation or exchange controls, or otherwise take action, that may have an adverse impact on NBFC-ND-SIs.

Our Company is also subject to corporate, taxation and other laws in force in India. These regulations are subject to frequent amendments and are dependent on government policy and there can be no assurance that any changes in the laws and regulations relating to the Indian financial services sector will not adversely impact our Company's business and results of operations. As a result of high costs of compliance, our Company's profitability may be affected. Further, if our Company is unable to comply with such regulatory requirements, its business and results of operations may be materially and adversely affected.

9. ***Our Company's inability to comply with observations made by the RBI or any adverse action by the RBI may have a material adverse effect on its business, financial condition and results of operations.***

Inspection by the RBI is a regular exercise and is carried out periodically by the RBI for all NBFCs registered with it under the RBI Act. Our Company, being an NBFC-ND-SI, is subject to periodic inspection by the RBI under the provisions of the RBI Act, 1934 (the "**RBI Act**"), pursuant to which the RBI inspects the books of accounts of our Company and other records for the purpose of verifying the correctness or completeness of any statement, information or particulars furnished to the RBI or for obtaining any information which our Company may have failed to furnish when being called upon to do so. RBI, in its last inspection report for the period 2018-2019, has indicated certain observations with respect to, *inter alia*, asset quality, liquidity ratio, management and other supervisory concerns, etc. We have responded to all the observations of RBI and as on date, no penalties have been levied by RBI. Any adverse action taken by the RBI pursuant to such inspections, or non-compliance by our Company with the RBI's observations, could materially and adversely affect our

Company's business and operations. As on date of this Draft Shelf Prospectus, no regulatory action is pending against the Company or its directors or its Promoter before RBI or NHB or SEBI.

10. ***Our Company's inability to obtain, renew or maintain the statutory and regulatory permits and approvals which are required to operate its existing or future businesses may have a material adverse effect on its business, financial condition and results of operations.***

NBFCs in India are subject to regulations and supervision by the RBI. In addition to the numerous conditions required for the registration as an NBFC with the RBI, our Company is also required to comply with certain other regulatory requirements for its business imposed by the RBI. In the future, there could be circumstances where our Company may be required to renew applicable permits and approvals, including its registration as an NBFC-ND-SI and obtain new permits and approvals for its current and any proposed operations or in the event of a change in applicable law and regulations. There can be no assurance that RBI or other relevant authorities will issue any such permits or approvals in the time-frame anticipated by our Company, or at all. Failure by our Company to renew, maintain or obtain the required permits or approvals may result in an interruption of its operations and may have a material adverse effect on its business, financial condition and results of operation.

In addition, our branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificate of registration may be suspended or cancelled and we shall not be able to carry on such activities.

11. ***Our Company may not be able to recover the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under defaulted loans on a timely basis or at all and as a result, which could adversely affect its financial condition and results of operations.***

Our Company's secured loan portfolio was ₹ 9,685.97 crore as at March 31, 2020, which represented 80.89% of the aggregate gross value of our Company's total Loan Portfolio, and our Company's secured loan portfolio was ₹ 15,684.20 crore as at March 31, 2019, which represented 99.01%, of the aggregate gross value of our Company's total loan portfolio as at March 31, 2019. Our Company's unsecured loan portfolio was ₹ 2,288.29 crore as at March 31, 2020, which represented 19.11% of the aggregate gross value of our Company's total loan portfolio, and our Company's unsecured loan portfolio was ₹ 157.11 crore as at March 31, 2019, which represented 0.99% of the aggregate gross value of our Company's total Loan Portfolio as at March 31, 2019. The value of collaterals is dependent on various factors, including (i) prevailing market conditions, (ii) the general economic and political conditions in India, (iii) growth of the stock markets and real estate sector in India and the areas in which our Company operates, and (iv) any change in statutory and/or regulatory requirements.

Delays in recovery, bankruptcy and foreclosure proceedings, defects in the title and delays in obtaining regulatory approvals for the enforcement of such collaterals may affect the valuation of the collateral. As a result, our Company may not be able to recover the full value of the collateral for the loans provided by it within the expected timeframe or at all. Further, legal proceedings may have to be initiated by our Company in order to recover overdue payments on loans, and as a consequence, the money and time spent on initiating legal proceedings may adversely affect our Company's cash flow.

The value of the security provided by the borrowers to our Company may be subject to a reduction in value on account of various reasons. While our Company's customers may provide alternative security to cover the shortfall, the realisable value of the security for the loans provided by our Company in the event of a liquidation may continue to be lower than the combined amount of the outstanding principal amount, interest and other amounts recoverable from the customers.

Any default in the repayment of the outstanding credit obligations by our Company's customers may expose it to losses. A failure or delay to recover the loan value from sale of collateral security could expose our Company to potential losses. Any such losses could adversely affect our Company's financial condition and results of operations. Furthermore, the process of litigation to enforce our Company's legal rights against defaulting customers in India is generally a slow and potentially expensive process. Accordingly, it may be difficult for our Company to recover amounts owed by defaulting customers in a timely manner or at all.

12. ***Our Company's business requires substantial capital and any disruption in the sources of its funding or an increase in its average cost of borrowings could have a material adverse effect on its liquidity and financial condition.***

Our Company's liquidity and ongoing profitability are, to a large extent, dependent upon its timely access to, and the costs associated with, raising capital. Our Company's funding requirements have historically been met through a combination of borrowings such as term loans, working capital limits from banks, issuance of commercial papers and non-convertible debentures as well as equity capital raised from our Promoter or through private equity investment. Thus, our Company's business growth, liquidity and profitability depends and will continue to depend on its ability to access diversified, relatively stable and low-cost funding sources as well as our Company's financial performance, capital adequacy levels, credit ratings and relationships with lenders. Any adverse developments or changes in applicable laws and regulations which limit our Company's ability to raise funds through term loans, working capital limits from banks, issuance of commercial papers and non-convertible debentures as well as equity capital raised from our Promoter or through private equity investment can disrupt its sources of funding, and as a consequence, could have a material adverse effect on our Company's liquidity and financial condition.

Our Company's total outstanding borrowing, comprising debt securities, borrowing (other than debt securities) and Subordinated liabilities was ₹ 8,878.06 crore as at March 31, 2020, ₹ 10,806.62 crore as at March 31, 2019 and our Company's total outstanding borrowing as per I GAAP , comprising long-term borrowings, short-term borrowings and Current maturity of long term debt-term loan was ₹ 6937.94 crore as at March 31, 2018. In order to make these payments, our Company will either need to refinance this debt, which may prove to be difficult in the event of volatility in the credit markets, or alternatively, raise equity capital or generate sufficient revenue to retire the debt. There can be no assurance that our Company's business will generate sufficient cash to enable it to service its existing debt or to fund its other liquidity needs.

Our Company's ability to borrow funds and refinance existing debt may also be affected by a variety of factors, including liquidity in the credit markets, the strength of the lenders from which our Company borrows, the amount of eligible collateral and accounting changes that may impact calculations of covenants in our Company's financing agreements. An event of default, a significant negative ratings action by a rating agency, an adverse action by a regulatory authority or a general deterioration in prevailing economic conditions that constricts the availability of credit may increase our Company's cost of funds and make it difficult for our Company to access financing in a cost-effective manner. A disruption in sources of funds or increase in cost of funds as a result of any of these factors may have a material adverse effect on our Company's liquidity and financial condition.

13. ***Instability of global and Indian economies and banking sectors could affect the liquidity of our Company, which could have a material adverse effect on our Company's financial condition.***

The credit markets in India have faced significant volatility, dislocation and liquidity constraints in the recent past. The instability in the Indian credit markets has in the past resulted from significant write downs of asset value of financial institutions including banks (primarily in the public sector), housing finance companies and non-banking financial companies. Additionally, restructuring of assets under the Insolvency and Bankruptcy Code, 2016, as amended, has also not yet resulted in significant recoveries by banks in India, amongst other lenders. Furthermore, there has been extreme volatility in the Indian equity markets and there was a sharp decline in the share prices of Indian finance companies including banks, housing finance companies and non-banking financial companies as a result of the COVID-19 Pandemic in March 2020.

There can be no assurance that the current liquidity shortage in the Indian credit systems will materially improve in the near to medium term; and in some cases, at all. Additionally, if our Company were unable to rely on the capital markets as a source of funding, the scale and nature of its operation would be affected. If the measures adopted by the central government in conjunction with the RBI on November 19, 2018, in relation to easing of liquidity constraints, is not implemented or if other sources of short-term funding including funding from the capital markets are not available, at a commercially viable spread or at all, our Company's business, financial condition, results of operations, prospects and solvency, as well as the value of NCDs, could be materially adversely affected.

14. ***Our indebtedness and conditions and restrictions imposed by our financing arrangements could adversely affect our ability to conduct our business and operations.***

Our Company's outstanding borrowings (Debt securities, Borrowings (other than debt securities) and Subordinated liabilities) were ₹ 8,878.06 crores, as at March 31, 2020, and ₹₹8,390.54 crores as at December 31, 2020. We have entered into agreements with certain banks and financial institutions for short-term and long-term borrowings. Some of our agreements require us to take the consent from our lenders for undertaking various actions, including, for:

- entering into any schemes of mergers, amalgamations, compromise or reconstruction.
- enter into any borrowing arrangement with any bank, financial institution, company or person.
- changing our registered office.
- effecting any change in our ownership or control.
- effecting any change in our capital structure.
- any material changes in our management or business.
- any amendments to our Memorandum or Articles of Association.
- undertaking guarantee obligations on behalf of any third party.
- declare any dividends to our shareholders unless amounts owed to the lenders have been paid or satisfactory provisions made thereof.
- transfer or dispose of any of our undertakings.
- create or permit to subsist any security over any of its assets.
- entering into any agreements whereby our income or profits are or may be shared with any other person.
- revaluing our assets; and
- entering into any long-term contracts that significantly affect us.

Additionally, some of our loan agreements also require us to maintain certain periodic financial ratios.

In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which are only identified in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. We may be forced to sell some or all of the assets in our portfolio if we do not have sufficient cash or credit facilities to make repayments. Furthermore, some of our financing arrangements contain cross-default provisions which could automatically trigger defaults under other financing arrangements.

We cannot assure you that our business will generate sufficient cash to enable us to service our debt or to fund our other liquidity needs. In addition, we may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

15. ***We are required to comply with various financial and other covenants under the loan agreements that we are a party to. If we are not in compliance with the covenants contained in such loan agreements, our lenders could accelerate their respective repayment schedules, and enforce their respective security interests, which would lead to an adverse effect on our business, results of operations and financial condition.***

We are required to comply with various financial and other covenants under the loan agreements that we are a party to, including but not limited to, amongst other things, obtaining, wherever applicable, prior consents from our existing lenders for further borrowings, including undertaking this Issue, maintenance of financial ratios and for creation of encumbrances over certain of our assets. Our Company has obtained consents from its lenders for undertaking this Issue.

Undertaking the Issue without lender consents constitutes a default by our Company under the relevant financing documents and will entitle the relevant lenders to call a default against our Company and to enforce remedies under the terms of the financing documents, that include, amongst other things, acceleration of repayment of the amounts outstanding under the financing documents, enforcement of security interests created under the financing documents, and taking possession of the assets given as security pursuant to the financing documents. An event of default would affect our Company's ability to raise new funds or renew borrowings as needed to conduct our operations and pursue our growth initiatives Further, such an event of default could also trigger a cross-default under certain other financing documents of our Company, or any other agreements or instruments of our Company containing a cross-default provision, which may have a material adverse effect on our Company's operations, financial position and credit rating.

Consequently, our Company may have to dedicate a substantial portion of its cash flow from operations to make payments under the financing documents, thereby reducing the availability of our Company's cash flow to meet its working capital requirements and use for other general corporate purposes. Further, we cannot assure you that our Company will have sufficient funds to meet its obligations with respect to the NCDs, including paying interest to the NCD holders or redeeming the NCDs in a timely manner. If the lenders of a material amount of the outstanding loans declare an event of default simultaneously, our Company may be unable to pay its debts as they fall due.

16. ***The financing industry is becoming increasingly competitive and our Company's growth will depend on its ability to compete effectively.***

The sector in which our Company operates in is highly competitive and our Company faces significant competition from banks and other NBFCs. Many of its competitors are large institutions, which may have larger customer base, funding sources, branch networks and capital compared to our Company. Certain of our Company's competitors may be more flexible and better-positioned to take advantage of market opportunities. In particular, private banks in India and many of our Company's competitors may have operational advantages in terms of access to cost-effective sources of funding and in implementing new technologies and rationalising branches as well as the related operational costs. As a result of this increased competition, loans are becoming increasingly standardised and terms such as variable (or floating) rate interest options, lower processing fees and monthly reset periods are becoming increasingly common in the Indian financial sector. This competition is likely to intensify further as a result of regulatory changes and liberalisation. These competitive pressures affect the industry in which our Company operates in as a whole, and our Company's future success will depend, to a large extent, on its ability to respond in an effective and timely manner to these competitive pressures. There can be no assurance that our Company will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive financial sector.

17. ***Our Company may be exposed to fluctuations in the market values of its investment and other asset portfolio.***

The financial markets' turmoil has adversely affected economic activity globally including India. Continued deterioration of the credit and capital markets may result in volatility of our Company's investment earnings and impairments to our Company's investment and asset portfolio. Further, the value of our Company's investments depends on several factors beyond its control, including the domestic and international economic and political scenario, inflationary expectations and the RBI's monetary policies. Any decline in the value of the investments could negatively impact our Company's financial condition.

18. ***Our Company may not be able to successfully sustain its growth rate. Our Company's inability to implement its growth strategy effectively could adversely affect its business and financial results.***

In recent years, our Company's growth has been fairly substantial. The AUM of our Company increased by 28.80% from Fiscal 2018 to Fiscal 2020. Our Company's growth strategy includes growing our Company's personal Loan Book and retail customer base. There can be no assurance that our Company will be able to sustain its growth plan successfully or that our Company will be able to expand further or diversify its portfolio of products. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our Company's culture, values and entrepreneurial environment as well as developing and improving our Company's internal administrative infrastructure. Our Company also faces a number of operational risks in executing its growth strategy.

Our Company's ability to sustain its rate of growth also depends, to a large extent, upon its ability to recruit trained and efficient personnel, retain key managerial personnel, maintain effective risk management policies, continue to offer products which are relevant to its target base of clients, develop managerial experience to address emerging challenges and ensure a high standard of client service. Our Company will need to recruit new employees, who will have to be trained and integrated into our Company's operations. Our Company will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train our Company's employees properly may result in an increase in employee attrition rate, a need to hire additional employees, an erosion in the quality of customer service, a diversion of the management's resources, an increase in our Company's exposure to high-risk credit and an increase in costs for our Company. If our Company grows its loan book too rapidly or fails to make proper assessments of credit risks associated with new customers, a higher percentage of our Company's loans may become non-performing, which would have a negative impact on the quality of our Company's assets and its financial condition. Our Company's inability to manage such growth could disrupt its business prospects, impact its financial condition and adversely affect its results of operations.

19. ***Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis.***

We have long-term credit ratings of "AA; Stable" from CRISIL and "AA; Negative" from CARE (for the long-term loans and non-convertible debentures) and "AA+/Negative" from Brickwork Ratings (for our long-term loans and non-convertible debentures). Additionally, we have a credit rating of "AA; Stable" from CRISIL and "AA; Negative" from CARE Ratings and "AA+/Negative" from Brickwork Ratings in relation to our subordinated debt programme. Our ratings signify high degree of safety, regarding timely servicing of financial obligations and low credit risk. We believe that our ratings result in a lower cost of funds for us. Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis, which may adversely affect our business, financial condition, results of operations and cash flows. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of certain of our borrowings. While our Company's borrowing costs have been competitive in the past due to its ability to raise debt products, credit rating and our Company's asset portfolio, our Company may not be able to offer similar competitive interest rates for its loans if our Company is unable to access funds at an effective cost that is comparable to or lower than its competitors. This may adversely impact our Company's business and results of operations.

20. ***Our Company's inability to obtain, renew or maintain the statutory and regulatory permits and approvals which are required to operate its existing or future businesses may have a material adverse effect on its business, financial condition and results of operations.***

NBFCs in India are subject to regulations and supervision by the RBI. In addition to the numerous conditions required for the registration as an NBFC with the RBI, our Company is also required to comply with certain other regulatory requirements for its business imposed by the RBI. In the future, there could be circumstances where our Company may be required to renew applicable permits and approvals, including its registration as an NBFC-ND-SI and obtain new permits and approvals for its current and any proposed operations or in the event of a change in applicable law and regulations. There can be no assurance that RBI or other relevant authorities will issue any such permits or approvals in the timeframe anticipated by our Company, or at all. Failure by our Company to renew, maintain or obtain the required permits or approvals may result in an interruption of its operations and may have a material adverse effect on its business, financial condition and results of operation.

In addition, our branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment laws regulate various employment conditions, including working hours, holidays and leave and overtime compensation. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificate of registration may be suspended or cancelled, and we shall not be able to carry on such activities.

21. ***Our Company may not be able to recover the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under defaulted loans on a timely basis or at all and as a result, which could adversely affect its financial condition and results of operations.***

Our Company's secured loan portfolio was ₹ 9,685.97 crores and ₹ 15,684.20 crores as at March 31, 2020 and March 31, 2019, respectively and represented 80.89 % and 99.01 %, respectively, of the aggregate gross value of our Company's total loan book as of those dates. Our Company's unsecured loan portfolio was ₹ 2,288.29 crores and ₹ 157.11 crores as at March 31, 2020 and March 31, 2019, respectively, and represented 19.11 % and 0.99 %, respectively, of the aggregate gross value of our Company's total loan book as of those dates. The value of collaterals is dependent on various factors, including (i) prevailing market conditions, (ii) the general economic and political conditions in India, (iii) growth of the stock markets and real estate sector in India and the areas in which our Company operates, and (iv) any change in statutory and/or regulatory requirements.

Delays in recovery, bankruptcy and foreclosure proceedings, defects in the title, delays in obtaining regulatory approvals for the enforcement of such collaterals and operational risks such as employee negligence, petty theft, burglary and embezzlement and fraud by employees, agents, customers or third parties may affect the valuation of the collateral. As a result, our Company may not be able to recover the full value of the collateral for the loans provided by it within the expected timeframe or at all. Further, legal proceedings may have to be initiated by our Company in order to recover overdue payments on loans and as a consequence, the money and time spent on initiating legal proceedings may adversely affect our Company's cash flow.

The value of the security provided by the borrowers to our Company may be subject to a reduction in value on account of various reasons. While our Company's customers may provide alternative security to cover the shortfall, the realisable value of the security for the loans provided by our Company in the event of a liquidation may continue to be lower than the combined amount of the outstanding principal amount, interest and other amounts recoverable from the customers.

Any default in the repayment of the outstanding credit obligations by our Company's customers may expose it to losses. A failure or delay to recover the loan value from sale of collateral security could expose our Company to potential losses. Any such losses could adversely affect our Company's financial condition and results of operations. Furthermore, the process of litigation to enforce our Company's legal rights against defaulting customers in India is generally a slow and potentially expensive process. Accordingly, it may be difficult for our Company to recover amounts owed by defaulting customers in a timely manner or at all.

22. ***We may experience difficulties in expanding our business or pursuing new business opportunities in new regions and markets.***

As part of our growth strategy, we evaluate attractive growth opportunities to expand our business and pursue new business opportunities in new regions and markets. Factors such as competition, customer requirements, regulatory regimes, culture, business practices and customs in these new markets may differ from those in our current markets, and our experience in our current markets may not be applicable to these new markets.

As we continue to expand our geographic footprint, our present and/ or future businesses may be exposed to various additional challenges, including obtaining necessary governmental approvals, identifying and collaborating with local business and partners with whom we may have no previous working relationship; successfully marketing our products in markets with which we have no previous familiarity; attracting potential customers in a market in which we do not have significant experience or visibility; falling under additional local tax jurisdictions; attracting and retaining new employees; expanding our technological infrastructure; maintaining standardized systems and procedures; and adapting our marketing strategy and operations to different regions of India or outside of India in which different languages are spoken. To address these challenges, we may have to make significant investments that may not yield desired results or incur costs that we may not recover. Our inability to expand our current operations or pursue new business opportunities may adversely affect our business prospects, financial conditions and results of operations.

23. ***We cannot assure you that we will be able to successfully execute our growth strategies, which could affect our operations, results, financial condition and cash flows.***

Our growth strategy includes increasing the number of loans we extend and expanding our customer base. For further details, see "*Our Business – Our Strategies*" on page 98 of this Draft Shelf Prospectus. We expect that our growth strategy will place significant demands on our management, financial and other resources. While we intend to pursue existing and potential market opportunities, our inability to manage our business plan effectively and execute our growth strategy could have an adverse effect on our operations, results, financial condition and cash flows.

In order to manage growth effectively, we must implement and improve operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees, pursue new business, complete future strategic agreements or operate our business effectively. There can be no assurance that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations.

Our management may also change its view on the desirability of current strategies, and any resultant change in our strategies could put significant strain on our resources. Further, we may be unable to achieve any synergies or successfully integrate any acquired business into our portfolio. Any business that we acquire may have unknown or contingent liabilities, and we may become liable for the past activities of such businesses. Furthermore, any equity investments that we undertake may be subject to market and liquidity risks, and we may be unable to be realise any benefits from such investments, in a timely manner, or at all.

24. ***Our Company's growth will depend on our Company's continued ability to access funds at competitive rates which is dependent on a number of factors including our Company's ability to maintain its credit ratings.***

As our Company is an NBFC-ND-SI in terms of applicable RBI regulations, its liquidity and ongoing profitability are primarily dependent upon its timely access to, and the costs associated with raising capital. Our Company's business is significantly dependent on funding from the debt capital markets and commercial borrowings. The demand for such funds is competitive and our Company's ability to obtain funds at competitive rates will depend on various factors including our Company's ability to maintain positive credit ratings. Ratings reflect a rating agency's opinion of our Company's financial strength, operating performance, strategic position and ability to meet its obligations. Thus, any downgrade of our Company's credit ratings would increase borrowing costs and constrain its access to capital and debt markets. Please see "- *Internal Risks and Risks Associated with our Business - Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis."* on page 26 of this Draft Shelf Prospectus. A reduction or withdrawal of the ratings may also adversely affect the market price and liquidity of the non-convertible debentures and our Company's ability to access the debt capital markets. As a result, this would negatively affect our Company's net interest margin and its business. In addition, any downgrade of our Company's credit ratings could increase the possibility of additional terms and conditions being imposed on any additional financing or refinancing arrangements in the future. Any downgrade of our Company's credit ratings could also accelerate the repayment of certain of our Company's borrowings in accordance with the applicable covenants of its borrowing arrangements. Any such adverse development could adversely affect our Company's business, financial condition and results of operations.

As an NBFC, our Company also faces certain restrictions on its ability to raise money from international markets which may further constrain its ability to raise funds at attractive rates. While our Company's borrowing costs have been competitive in the past due to its ability to raise debt products, credit rating and our Company's asset portfolio, our Company may not be able to offer similar competitive interest rates for its loans if our Company is unable to access funds at an effective cost that is comparable to or lower than its competitors. This may adversely impact our Company's business and results of operations.

25. ***Our ability to borrow from various banks may be restricted on account of guidelines issued by the RBI imposing restrictions on banks in relation to their exposure to NBFCs which could have an impact on our business and could affect our growth, margins and business operations.***

The RBI vide its notification no. RBI/2006-07/205/DBOD.No. FSD.BC.46 / 24.01.028 /2006-07 dated December 12, 2006 ("**Notification**") has amended the regulatory framework governing banks to address concerns arising from divergent regulatory requirements for banks and NBFCs. This Notification reduces the exposure (both lending and investment, including off balance sheet exposures) of a bank to NBFCs like us. Accordingly, banks exposure limits on any NBFC are reduced from the 25% of the banks' capital funds to 10% of its capital funds (15% for on-lending to infrastructure sector). Furthermore, RBI has suggested that banks may consider fixing internal limits for their aggregate exposure to all NBFCs combined. This Notification limits a bank's exposure to NBFCs which consequently restricts our ability to borrow from banks.

This Notification could affect our business and any similar notifications released by the RBI in the future, which has a similar impact on our business could affect our growth, margins and business operations.

26. ***Our ability to raise foreign capital may be constrained by Indian law.***

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and hence could constrain our ability to obtain financing on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted without onerous conditions, or at all. Limitations on raising foreign debt may have an adverse effect on our business, results of operations and financial condition.

27. ***Our investments are subject to market risk and our exposure to capital markets is subject to certain regulatory limits.***

We invest our surplus funds out of our borrowings and operations in mutual funds and / or fixed income securities. These securities include government securities, bonds carrying sovereign guarantee, bonds issued by state governments or public sector enterprises, mutual fund investments, fixed deposits with banks and other fixed income securities. The value of these investments depends on several factors beyond our control, including the domestic and international economic and political scenario, inflationary expectations and the RBI's monetary policies. Any decline in the value of the investments may have an adversely effect on our business, financial condition and results of operations.

28. ***Our Company may face asset-liability mismatches which could affect its liquidity and consequently may adversely affect our Company's operations and profitability.***

A significant portion of our Company's funding requirements is met through short-term and medium-term funding sources such as bank loans, working capital demand loans, cash credit, short term loans and commercial paper. However, a significant portion of our Company's assets (such as loans to its customers) have maturities with longer terms than its borrowings. Our Company may face potential liquidity risks due to varying periods over which our Company's assets and liabilities mature. Moreover, raising long-term borrowings in India has historically been challenging. Our Company's inability to obtain additional credit facilities or renew its existing credit facilities in a timely and cost-effective manner to meet its maturing liabilities, or at all, may lead to gaps and mismatches between its assets and liabilities, which in turn may adversely affect our Company's liquidity position, and in turn, its operations and financial performance.

We regularly monitor our funding levels to ensure we are able to satisfy the requirement for loan disbursements and maturity of our liabilities. As is typical for NBFCs, we maintain diverse sources of funding and liquid assets to facilitate flexibility in meeting our liquidity requirements. Liquidity is provided principally by long-term borrowings from banks and mutual funds, short and long-term general financing through the domestic debt markets and retained earnings, proceeds from securitization and equity issuances.

Our liquidity position may be adversely affected and we may be required to pay higher interest rates in order to meet our liquidity requirements in the future, which could have a material adverse effect on our business and financial results.

The following table describes the ALM of our Company as on December 31, 2020:

(₹ in crores)

	1 to 30/31 days (one month)	**Over 1 month to 2 months**	**Over 2 months to 3 months**	**Over 3 months to 6 months**	**Over 6 months to 1 year**	**Over 1 year to 3 years**	**over 3 to 5 years**	**Over 5 years**	**Total**
Deposits	-	-	-	-	-	-	-	-	-
Advances	540.50	855.92	544.23	732.90	1,549.00	5,094.50	3,029.57	1,267.66	13,614.27
Investments	25.38	-	-	1.51	31.66	914.89	-	18.74	992.17
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Borrowings	372.98	25.73	222.05	252.70	3,444.91	2,999.41	646.83	425.94	8,390.54
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

29. ***A decline in our Company's capital adequacy ratio could restrict its future business growth.***

Our Company's capital adequacy ratio computed on the basis of the applicable RBI norms was 32.44% and 27.88%, as at March 31, 2020 and March 31, 2019, respectively, with Tier I Capital comprising 29.54% and 25.41%, as at March 31, 2020 and March 31, 2019, respectively. The total capital adequacy ratio comprises 2.89% of Tier II Capital as at March 31, 2020. If our Company continues to grow its loan portfolio and asset base, it will be required to raise additional Tier I and Tier II Capital in order to continue to meet applicable capital adequacy ratios with respect to its business. There can be no assurance that our Company will be able to raise adequate additional capital in the future on terms favourable to our Company, in a timely manner, or at all and this may adversely affect the growth of our Company's business.

30. ***We may introduce new products for our customers, and there is no assurance that our new products will be profitable in the future.***

We may introduce new products and services in our existing lines of business. We may incur costs to expand our range of products and services and cannot guarantee that such new products and services will be successful once offered, whether due to factors within or outside of our control, such as general economic conditions, a failure to understand customer demand and market requirements or management focus on these new products. If we fail to develop and launch these products and services successfully, we may lose a part or all of the costs incurred in development and promotion or discontinue these products and services entirely, which could in turn adversely affect our business and results of operations.

31. ***If the corporate undertakings provided by us in our assignment of receivables transactions are invoked, it may require outflow in respect of these undertakings and adversely affect our net income.***

We have in the past, assigned and/or securitised a portion of the receivables from our AUM to banks and other institutions. The assignment and/or securitisation transactions were conducted on the basis of our internal estimates of our funding requirements. Any change in the applicable government regulations in relation to assignments/ securitisations by NBFCs could have an adverse impact on our assignment/securitisation program.

Under some of the assignment and pass through certificate transactions that we undertake, we provide credit support in the form of corporate guarantee and/or cash collateral. In the case of increase in losses on such transactions, such guarantee or the cash collateral may be enforced.

32. ***If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.***

We have devoted resources to develop our risk management policies and procedures and aim to continue to do so in the future. For details, see "*Our Business – Risk and Asset-Liability Management*" on page 103 of this Draft Shelf Prospectus. Despite this, our policies and procedures to identify, monitor and manage risks of fraud, money laundering, any other credit, operational or other risks may not be fully effective. Further, some of our methods of managing risks are based upon the use of observed historical market behaviour. As a result, these methods may not accurately predict future risk exposures, which could be significantly greater than those indicated by the historical measures. To the extent any of the instruments and strategies we use to hedge or otherwise manage our exposure to market or credit risk are not effective, we may not be able to mitigate effectively our risk exposures in particular market environments or against particular types of risk.

Our investment and interest rate risk are dependent upon our ability to properly identify, and mark-to-market changes in the value of financial instruments caused by changes in market prices or rates. Our earnings are dependent upon the effectiveness of our management of changes in credit quality and risk concentrations, the accuracy of our valuation models and our critical accounting estimates and the adequacy of our allowances for loan losses.

To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses. See "*Risk Factors - High levels of customer defaults and the resultant non-performing assets could adversely affect our Company's business, financial condition, results of operations and future financial performance*" on page 18 of this Draft Shelf Prospectus.

If we fail to effectively implement our risk management policies, it could materially and adversely affect our business, financial condition, results of operations and cash flows.

33. ***Our business and operations significantly depend on senior management and key employees and may be adversely affected if we are unable to retain them.***

Our business and operations largely depend on the continued services and performance of our senior management and other key employees and our ability to attract and retain such personnel. Considering the compact nature of our management team, our ability to identify, recruit and retain our employees is critical. As common to the non-banking finance industry we also face a continuing challenge to recruit and retain a sufficient number of suitably skilled personnel, knowledgeable in sectors to which we lend. There is significant competition in India for such personnel, and it may be difficult to attract, adequately compensate and retain personnel we need in the future. Inability to attract and retain appropriate and adequate managerial personnel, or the loss of key personnel could adversely affect our business, prospects, results of operations, financial condition. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Hiring and retaining qualified and skilled managers are critical to our future, as our business model depends on our credit-appraisal and asset valuation mechanism, which are personnel-driven operations. The loss of the services of our senior members of our management team and key employees could seriously impair our ability to continue to manage and expand our business efficiently and adversely affect our business, results of operations and financial condition. Further, we also do not maintain any key man insurance policies, and as a result, we may be unable to compensate for the loss of service of our key personnel.

34. ***Any change in control of our Promoter or our Company or any other factor affecting the business and reputation of our Promoter may have a concurrent adverse effect on our Company's reputation, business and results of operations and may correspondingly adversely affect our goodwill, operations and profitability.***

As on the date of this Draft Shelf Prospectus, our Promoter holds 100% of our paid up share capital. Our Company is dependent on the goodwill and brand name of the Indiabulls. Our Company believes that this goodwill contributes significantly to its business. We operate in a competitive environment, and we believe that our brand recognition is a significant competitive advantage to us. There can be no assurance that the "Indiabulls" brand, which our Company believes is a well-recognised brand in India, will not be adversely affected in the future by events or actions that are beyond our Company's control, including customer complaints, developments in other businesses that use this brand or adverse publicity from any other source.

If our Promoter ceases to exercise control over our Company as a result of any transfer of shares or otherwise, our ability to derive any benefit from the brand name "Indiabulls" and our goodwill as a part of the Indiabulls Group of companies may be adversely affected, which in turn could adversely affect our business and results of operations.

In the event Indiabulls Group is unable to maintain the quality of its services or its goodwill deteriorates, our Company's business and results of operations may be adversely affected. Any failure to retain our Company name may deprive us of the associated brand equity that we have developed which may have a material adverse effect on our business and results of operations.

Any disassociation of our Company from the Indiabulls Group and/or our inability to have access to the infrastructure provided by other companies in the Indiabulls Group could adversely affect our ability to attract customers and to expand our business, which in turn could adversely affect our goodwill, operations and profitability.

35. ***Our business is dependent on relationships with our clients established through, amongst others, our branches. Closure of branches or loss of our key branch personnel may lead to damage to these relationships and a decline in our revenue and profits.***

Our business is dependent on the key branch personnel who directly manage client relationships. We encourage dedicated branch personnel to service specific clients since we believe that this leads to long-term client relationships, a trust based business environment and, over time, better cross-selling opportunities. Our business may suffer materially if a substantial number of branch managers either become ineffective or leave us.

36. ***Our Company is exposed to operational risks, including employee negligence, petty theft, burglary and embezzlement and fraud by employees, agents, customers or third parties, which could harm our Company's results of operations and financial position.***

Our Company is exposed to many types of operational risks. Operational risks can result from a variety of factors, including failure to obtain proper internal authorisations, improperly documented transactions, failure of operational and information security procedures, computer systems, software or equipment, fraud, inadequate training and employee errors. Our Company attempts to mitigate operational risk by maintaining a comprehensive system of internal controls, establishing systems and procedures to monitor transactions, maintaining key back-up procedures, undertaking regular contingency planning and providing employees with continuous training. Any failure to mitigate such risks may adversely affect our Company's business and results of operations.

In addition, some of our Company's transactions expose it to the risk of misappropriation or unauthorised transactions by its employees and fraud by its employees, agents, customers or third parties. Our Company's insurance policies, security systems and measures undertaken to detect and prevent these risks may not be sufficient to prevent or deter such activities in all cases which may adversely affect our Company's operations and profitability. Furthermore, our Company may be subject to regulatory or other proceedings in connection with any unauthorised transaction, fraud or misappropriation by its representatives and employees which could adversely affect its goodwill. In addition, some of our Company's collaterals which were provided for the loans may not be adequately insured and this may expose our Company to a loss of value for the collateral. As a result, our Company may not be able to recover the full value of the collateral. Any loss of value of the collateral may have a material adverse effect on our Company's profitability and business operations.

37. ***Significant fraud, system failure or calamities could adversely impact our Company's business.***

Our Company seeks to protect its computer systems and network infrastructure from physical break-ins as well as fraud and system failures. Computer break-ins and power and communication disruptions could affect the security of information stored in and transmitted through our Company's computer systems and network infrastructure. Our Company employs security systems, including firewalls and password encryption, designed to minimise the risk of security breaches. Although our Company intends to continue to implement security technology and establish operational procedures to prevent fraud, break-ins, damage and failures, there can be no assurance that these security measures will be adequate. A significant failure of security measures or operational procedures could have a material adverse effect on our Company's business and its future financial performance. Although our Company takes adequate measures to safeguard against system-related and other frauds, there can be no assurance that it would be able to prevent frauds. Furthermore, our Company is exposed to many types of operational risks, including the risk of fraud or other misconduct by its employees and unauthorised transactions by its employees. Our Company's reputation may be adversely affected by significant frauds committed by its employees, customers or outsiders.

38. ***Our lending operations involve cash collection which may be susceptible to loss or misappropriation or fraud by our employees. This may adversely affect our business, operations and ability to recruit and retain employees.***

Our lending and collection operations involve handling of cash, including collections of instalment repayments in cash in certain cases. Cash collection exposes us to risk of loss, fraud, misappropriation or unauthorised transactions by our employees responsible for dealing with such cash collections. In addition, we may be subject to regulatory or other proceedings in connection with any such unauthorised transaction, fraud or misappropriation by our agents or employees, which could adversely affect our goodwill, business prospects and future financial performance. In addition, given the high volume of transactions involving cash processed by us, certain instance of fraud and misconduct by our employees or representatives may go unnoticed for some time before they are identified and corrective actions are taken. Even when we identify instance of fraud and other misconduct and pursue legal recourse or file claims with our insurance carriers, there can be no assurance that we will recover any amounts lost through such fraud or other misconduct. While we have internal control in place to minimise the likelihood or such frauds, there can be no assurance that these are sufficient and will be so in the future.

In addition to the above, our employees operating in remote areas may be required to transport cash due to lack of local banking facility. In the event of any adverse incident, our ability to continue operations in such areas will be adversely affected and our employee recruitment and retention efforts may be affected, thereby affecting our growth and expansion. In addition, if we determine that certain areas of India pose a significantly higher risk or crime or instability, our ability to operate in such areas will be adversely affected.

39. ***Our Company's reliance on any misleading or misrepresented information provided by potential customers or counterparties or an inaccurate credit appraisal by our Company's employees may affect its credit judgments, as well as the value of and title to the collateral, which may adversely affect its reputation, business and results of operations.***

In deciding whether to extend credit or enter into other transactions with customers and counterparties, our Company may rely on information furnished to it by or on behalf of customers and counterparties, including financial statements and other financial information. Our Company may also rely on certain representations in relation to the accuracy and completeness of that information as well as independent valuation reports and title reports with respect to the collateral. In addition, our Company may rely on reports of the independent auditors in relation to the financial statements. For example, in deciding whether to extend credit, our Company may assume that a customer's audited financial statements conform to GAAP and the financial condition, results of operations and cash flows of the customer are presented fairly in all material respects. Our Company's financial condition and results of operations may be adversely affected by relying on financial statements that do not comply with GAAP or other information that may be materially misleading. Moreover, our Company has implemented Know Your Customer ("**KYC**") checklist and other measures to prevent money laundering. There can be no assurance that information furnished to our Company by potential customers and any analysis of such information or the independent checks and searches will return accurate results, and our Company's reliance on such information may affect its judgement of the potential customers' credit worthiness, as well as the value of and title to the collateral, which may result in our Company having to bear the risk of loss associated with such misrepresentations. In the event of the ineffectiveness of these systems, our Company's reputation, business and results of operations may be adversely affected.

Our Company may also be affected by the failure of its employees to adhere to the internal procedures and an inaccurate appraisal of the credit or financial worth of its clients. Inaccurate appraisal of credit may allow a loan sanction which may eventually result in a bad debt on our Company's books of accounts. In the event our Company is unable to mitigate the risks that arise out of such lapses, our Company's business and results of operations may be adversely affected.

40. ***Our Company may not be able to detect money-laundering and other illegal or improper activities fully or on a timely basis, which could expose it to additional liability and harm its business or reputation.***

Our Company is required to comply with applicable anti-money-laundering and anti-terrorism laws and other regulations in India. Our Company, in the course of its operations, runs the risk of failing to comply with the prescribed KYC procedures and the consequent risk of fraud and money laundering by dishonest customers despite putting in place systems and controls customary in India to prevent the occurrence of these risks. Although our Company believes that it has adequate internal policies, processes and controls in place to prevent and detect any AML activity and ensure KYC compliance, there can be no assurance that our Company will be able to fully control instances of any potential or attempted violation by other parties and may accordingly be subject to regulatory actions including imposition of fines and other penalties. Our Company, in certain of its activities and in pursuit of its business, runs the risk of inadvertently offering its financial products and services ignoring customer suitability and appropriateness despite having a KYC and Anti-Money Laundering measures and associated processes in place. Such incidents may adversely affect our Company's business and reputation.

41. ***Our Company's insurance coverage may not adequately protect our Company against losses which could adversely affect our Company's business, financial condition and results of operations.***

Our Company maintains insurance coverage that our Company believes is adequate for its operations. Our Company's insurance policies, however, may not provide adequate coverage in certain circumstances and are subject to certain deductibles, exclusions and limits on coverage. We currently maintain insurance coverage against fire and allied perils, burglary and housebreaking and damage to portable equipment at our offices and a money insurance coverage for cash that is maintained in our offices and cash in transit. We also maintain a director's and officers' liability policy covering our directors, officers and employees against claims arising out of legal and regulatory proceedings and monetary demands for damages. However, our Company cannot assure you that the terms of its insurance policies will be adequate to cover any damage or loss suffered by our Company or that such coverage will continue to be available on reasonable terms or will be available in sufficient amounts to cover one or more large claims, or that the insurer will not disclaim coverage as to any future claim. Any successful assertion of one or more large claims against our Company that exceeds our Company's available insurance coverage or changes in our Company's insurance policies, including any increase in premium or any imposition of larger deductibles or co-insurance requirements could adversely affect our Company's business, financial condition and results of operations.

42. ***We do not own a majority of our branch offices including our registered office and corporate offices. Any termination or failure on our part to renew our Lease/Rent Agreements in a favourable, timely manner, or***

at all, could adversely affect our business and results of operations. Moreover many of the lease/rent agreements entered into by our Company may not be duly registered or adequately stamped.

Most of our branch offices including our registered office and corporate offices are located on leased/rented premises. Some of the lease/rent agreements may have expired and we maybe currently involved in negotiations for the renewal of these lease/rent agreements. If these lease/rent agreements are not renewed or renewed on unfavourable to us, we may suffer a disruption in our operations or increased costs, or both, which may affect our business and results of operations.

Further, most of our lease/rent agreements may not be adequately stamped or duly registered. Unless such documents are adequately stamped or duly registered, such documents may be rendered inadmissible as evidence in a court in India or may not be authenticated by any public officer and the same may attract penalty as prescribed under applicable law or may impact our ability to enforce these agreements legally, which may result in an adverse effect on the continuance of the operations and business of our Company.

43. ***We have entered into a number of related party transactions and may continue to enter into related party transactions, which may involve conflicts of interest.***

We have entered into a number of related party transactions, within the meaning of AS-18, and may continue to enter into related party transactions, which may involve conflict of interest. Such transactions may give rise to current or potential conflicts of interest with respect to dealings between us and such related parties. Further, we have entered and may continue to enter into certain transactions with IHFL, our Promoter which may or may not be at an arm's length. However, such related party transactions are exempted under Section 188 of Companies Act, on account of our Company being a wholly owned subsidiary of IHFL. Additionally, there can be no assurance that any dispute that may arise between us and related parties will be resolved in our favour. For further details, please refer to the statement of related party transactions in "*Financial Statements*" on page 149 of this Draft Shelf Prospectus.

44. ***Our Company's Promoter, Directors and related entities may have interests in a number of entities which are in businesses similar to our Company's business and this may result in potential conflicts of interest with our Company.***

Certain decisions concerning our Company's operations or financial structure may present conflicts of interest among our Company's Promoter, other shareholders, Directors, executive officers and the holders of Equity Shares. Our Company's Promoter, Directors and related entities have interests in various entities that are engaged in businesses similar to our Company. Commercial transactions in the future between our Company and related parties may result in conflicting interests. A conflict of interest may occur directly or indirectly between our Company's business and the business of our Company's Promoter which could have an adverse effect on our Company's operations. Conflicts of interest may also arise out of common business objectives shared by our Company, our Company's Promoter, Directors and their related entities. Our Company's Promoter, Directors and their related entities may compete with our Company and have no obligation to direct any opportunities to our Company. Our Company cannot provide any assurance that these or other conflicts of interest will be resolved in an impartial manner.

45. ***We may be unable to protect our logos, brand names and other intellectual property rights which are critical to our business.***

Our Company has not made an application for and consequently does not own trademark registrations for certain logos used in our business. Accordingly, we may not be able to prohibit the use of our intellectual property by any third party and may, in the future, face claims and legal actions by third parties that may use, or dispute our right to use, the logos and brand names under which our business currently operates. We may be required to resort to legal action to protect our logos and brand names. Any adverse outcome in such legal proceedings may impact our ability to use our logos, brand names and other intellectual property in the manner in which such intellectual property is currently used or at all, which can have a material adverse effect on our business and our financial condition.

Additionally, the Indiabulls brand that we operate under is shared between members of the Indiabulls group of companies, a diversified set of businesses in the financial services, real estate and securities sector (including, but not limited to, our Subsidiary). We use "Indiabulls" trademark as a 'common law licensee or permissive user' under implied permission and consent of IHFL. We have not, in the past, entered into, or do not currently have agreements to share this brand. Accordingly, we will have no recourse if we are restricted to use such trademark in the future, which could materially affect our reputation, business and results of operations.

46. ***We depend on third party selling agents for referral of a certain portion of our customers, who do not work exclusively for us.***

We depend on external direct selling agents ("**DSAs**"), who are typically proprietorships and self-employed professionals, to source a portion of our customers. Such DSAs pass on leads of any loan requirements of these small businesses to us. Our agreements with such DSAs typically do not provide for any exclusivity, and accordingly, such DSAs can work with other lenders, including our competitors. There can be no assurance that our DSAs will continue to drive a significant number of leads to us, and not to our competitors, or at all.

47. ***The Statutory Auditors' examination reports on the Reformatted Financial Statements and Limited Review Financial Results contain certain emphasis of matter.***

The Statutory Auditors' examination reports on the Reformatted Financial Statements and Limited Review Financial Results included as part of this Draft Shelf Prospectus, contains an emphasis of matter pertaining to the effects of the COVID-19 pandemic outbreak on our operations that are dependent on future developments, and the impact thereof on the impairment assessment of financial assets outstanding as at March 31, 2020 and December 31, 2020. For further details on the emphasis of matter, see the section "*Financial Statements*", on page 149 of this Draft Shelf Prospectus.

48. ***We rely on third-party service providers who may not perform their obligations satisfactorily or in compliance with law.***

We enter into outsourcing arrangements with third party vendors for a number of services required by us. These vendors provide services, which include, among others, software services and client sourcing. Though adequate due diligence is conducted before finalizing such outsourcing arrangements, we cannot guarantee that there will be no disruptions in the provision of such services or that these third parties will adhere to their contractual obligations. If there is a disruption in the third-party services, or if the third-party service providers discontinue their service agreement with us, our business, financial condition and results of operations will be adversely affected. In case of any dispute, we cannot assure you that the terms of such agreements will not be breached, which may result in litigation costs. Such additional cost, in addition to the cost of entering into agreements with third parties in the same industry, may materially and adversely affect our business, financial condition and results of operations. We may also suffer from reputational and legal risks if our third-party service providers act unethically or unlawfully or misrepresent or mis-sell our products and services, which could materially and adversely affect our business, financial condition and results of operations.

As part of its lending business, our Company will rely on third party sources for certain information, such as "Aadhar" or unique identification number, of loan applicants based on which the data analytics software will be able to process the information. For instance, the applicant's details will be sourced from various websites, payment bureau and third-party vendors and settlement of funds will be facilitated by payment processing systems by linking the data analytics software to such websites. Some of these third-party data sources are currently, and may, in the future, be vulnerable to data privacy violation claims. If these claims are established and these data sources are no longer available to us, we will have to find alternate sources for such data which may increase our operational costs and adversely affect our results of operations. These third-party data sources are also susceptible to operational and technology vulnerabilities and are also exposed to changes in regulations, which may impact our business. In addition, these third-party data sources may rely on other parties (sub-contractors), to provide services to us which also face similar risks. For example, external content providers provide us with financial information, market news, quotes, research reports and other fundamental data that we offer to clients.

49. ***Certain of our documents may bear higher stamp duty than we have paid and as a result, our cash flows and results of operations may be adversely affected.***

In relation to assignment/ securitisation transactions executed by us in relation to our AUM, we have entered into certain documentation, wherein we have, in accordance with industry practice, agreed to bear all costs in relation to stamp duty payable in respect of the assignment/ securitisation documents. Most of these transactions involve loans (and underlying mortgages) situated across India, and not just the jurisdiction where the documents in relation to the assignment/ securitisation are stamped. If any of the transaction documents in relation to these assignment/ securitisation transactions, are for any reason, taken out of the state in which stamp duty has been paid, including for registration of the same in the state where the underlying property is situated, there may be an additional stamp duty implication us, to the extent of the difference between the stamp duty payable in such state and the stamp duty already paid. Any such liability may have a financial impact on our cash flows and results of operations.

50. ***We may be required to bear additional tax liability for previous assessment years, which could adversely affect our financial condition***.

According to extant guidelines from the RBI, an NBFC is not permitted to recognise income if the amount due in respect of a loan has not been paid by the borrower for 90 days or more and such amount is considered an NPA. However, under Section 43D read with rule 6EB of the Income Tax Rules, the definition of an NPA under the Income Tax Act is different from that provided by extant guidelines of the RBI in force at present.

While we have been following the guidelines of the RBI on income recognition, if the interpretation of the income tax department is different to ours, we may be required to bear additional tax liabilities for previous assessment years, as well as an increased tax liability in the future as a result of our income being recognized by the income tax department at a higher level than the income offered for taxation under the guidelines set out by the RBI.

51. ***The new Bankruptcy Code in India may affect our rights to recover loans from borrowers.***

The Insolvency and Bankruptcy Code, 2016, as amended from time to time ("**Bankruptcy Code**") was notified on August 5, 2016. The Bankruptcy Code offers a uniform and comprehensive insolvency legislation encompassing all companies, partnerships and individuals (other than financial firms). It allows creditors to assess the viability of a debtor as a business decision, and agree upon a plan for its revival or a speedy liquidation. The Bankruptcy Code creates a new institutional framework, consisting of a regulator, insolvency professionals, information utilities and adjudicatory mechanisms, which will facilitate a formal and time-bound insolvency resolution and liquidation process.

In case insolvency proceedings are initiated against a debtor to our Company, we may not have complete control over the recovery of amounts due to us. Under the Bankruptcy Code, upon invocation of an insolvency resolution process, a committee of creditors is constituted by the interim resolution professional, wherein each financial creditor is given a voting share proportionate to the debts owed to it. Any decision of the committee of creditors must be taken by a vote of not less than 66% of the voting share of all financial creditors. Any resolution plan approved by committee of creditors is binding upon all creditors, even if they vote against it.

In case a liquidation process is opted for, the Bankruptcy Code provides for a fixed order of priority in which proceeds from the sale of the debtor's assets are to be distributed. Before sale proceeds are distributed to a secured creditor, they are to be distributed for the costs of the insolvency resolution and liquidation processes, debts owed to workmen and other employees, and debts owed to unsecured credits. Further, under this process, dues owed to the Central and State Governments rank at par with those owed to secured creditors. Moreover, other secured creditors may decide to opt out of the process, in which case they are permitted to realise their security interests in priority.

Accordingly, if the provisions of the Bankruptcy Code are invoked against any of the borrowers of our Company, it may affect our Company's ability to recover our loans from the borrowers and enforcement of our Company's rights will be subject to the Bankruptcy Code.

Further, the GoI vide notification dated March 24, 2020 ("**Notification**") has amended section 4 of the Bankruptcy Code due the lingering impact of the COVID-19 pandemic. Pursuant to the said Notification, Government has increased the minimum amount of default under the insolvency matters from ₹1,00,000 to ₹1,00,00,000. Therefore, the ability of our Company to initiate insolvency proceedings against the defaulters where the amount of default in an insolvency matter is less the ₹1,00,00,000 may impact the recovery of outstanding loans and profitability of our Company.

52. ***Our Company's success depends, to a large extent, upon its management team and key personnel and its ability to attract, train and retain such persons. Our Company's inability to attract and retain talented***

professionals or the loss of key management personnel may have an adverse impact on its business and future financial performance.

Our Company's ability to sustain the rate of growth depends significantly on selecting and retaining key managerial personnel, developing managerial experience to address emerging challenges and ensuring a high standard of client service. Our Company faces a continuing challenge to recruit, adequately compensate and retain a sufficient number of suitably skilled personnel, knowledgeable in sectors to which it lends. There is significant competition in India for such personnel, which has increased in recent years as a significant number of banks, NBFCs have recently commenced operations. If our Company is unable to hire additional qualified personnel or to retain them, our Company's ability to expand its business may be impaired. Our Company will need to recruit new employees who will have to be trained and integrated within our Company's operations. In addition, our Company will have to train existing employees to adhere to internal controls and risk management procedures. Failure to train and motivate its employees properly may result in an increase in employee attrition rate, a requirement to hire additional employees, an erosion of the quality of customer service, a diversion in the management's resources, an increase in its exposure to high-risk credit and an increase in costs for our Company. Hiring and retaining qualified and skilled managers are critical to our Company's future as its business model depends on its credit-appraisal and asset valuation mechanism which are personnel-driven. Moreover, competition for experienced employees can be intense, and has intensified in the recent financial periods. While our Company has an incentive structure, our Company's inability to attract and retain talented professionals or the loss of key management personnel may have an adverse impact on our Company's business and future financial performance.

53. ***A failure or inadequacy or security breach in our Company's information technology and telecommunication systems or its inability to adapt to rapid technological changes may adversely affect its business, results of operation and financial condition.***

Our Company's ability to operate and remain competitive depends in part on its ability to maintain and upgrade its information technology systems and infrastructure on a timely and cost-effective basis, including its ability to process a large number of transactions on a daily basis. Our Company's operations also rely on the secure processing, storage and transmission of confidential and other information in its computer systems and networks. Our Company's financial, accounting or other data processing systems and management information systems or its corporate website may fail to operate adequately or become disabled as a result of events that may be beyond its control, including a disruption of electrical or communications services. Further, the information available to and received by our Company's management through its existing systems may not be timely and sufficient to manage risks or to plan for and respond to changes in market conditions and other developments in its operations. If any of these systems are disabled or if there are other shortcomings or failures in our Company's internal processes or systems, it may disrupt our Company's business or impact its operational efficiencies, and render it liable to regulatory intervention or damage to its reputation. The occurrence of any such events may adversely affect our Company's business, results of operations and financial condition.

Our Company is dependent on various external vendors for the implementation of certain elements of its operations, including implementing information technology infrastructure and hardware, industry standard commercial off-the-shelf products, networking and back-up support for disaster recovery. Our Company is, therefore, exposed to the risk that external vendors or service providers may be unable to fulfil their contractual obligations to it (or will be subject to the risk of fraud or operational errors by their respective employees) and the risk that their (or their vendors') business continuity and data security systems prove to be inadequate or fail to perform. Failure to perform any of these functions by our Company's external vendors or service providers could materially and adversely affect its business, results of operations and cash flows.

In addition, the future success of our Company's business will depend in part on its ability to respond to technological advances and to emerging financing industry standards and practices on a cost-effective and timely basis. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that our Company will successfully implement new technologies effectively or adapt its technology and systems to meet customer requirements or emerging industry standards. If our Company is unable, for technical, legal, financial or other reasons, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, its financial condition could be adversely affected. Any technical failures associated with its information technology systems or network infrastructure, including those caused by power failures and other unauthorised tampering, may cause interruptions or delays in our Company's ability to provide services to its customers on a timely basis or at all, and may also result in added costs to address such system failures and/or security breaches, and for information retrieval and verification.

54. ***Our Company's ability to assess, monitor and manage risks inherent in our Company's business differs from the standards of some of its counterparts.***

Our Company is exposed to a variety of risks, including liquidity risk, interest rate risk, credit risk, operational risk and legal risk. The effectiveness of our Company's risk management is limited by the quality and timeliness of available data. Our Company's hedging strategies and other risk management techniques may not be fully effective in mitigating its risks in all types of market environments or against all types of risk, including risks that are unidentified or unanticipated. Some methods of managing risks are derived from the observation of historical market behaviour. As a result, these methods may not predict future risk exposures, which could be greater than the indication based on historical measures. Other risk management methods depend on an evaluation of information regarding markets, customers or other matters. This information may not be accurate, complete, up-to-date or properly evaluated. The management of operational, legal or regulatory risk requires, among other things, proper policies and procedures to record and verify a number of transactions and events. Although our Company has established these policies and procedures, they may not be fully effective.

Our Company's future success will depend, in part, on our Company's ability to respond to new technological advances and emerging market standards and practices in a cost-effective and timely manner. The development and implementation of such technology entails significant technical and business risks. There can be no assurance that our Company will be able to successfully implement new technologies or adapt its transaction processing systems in accordance with the requirements of customers or emerging market standards.

55. ***We have not been able to obtain certain records of the educational and professional qualifications of our Director namely Mr. Anil Malhan, and have relied on declarations and undertakings furnished by him for details of his profiles included in this Draft Shelf Prospectus***.

Our Director Mr. Anil Malhan, has been unable to trace copies of documents pertaining to his educational and profession qualifications included in this Draft Shelf Prospectus. Accordingly, reliance has been placed on declarations, undertakings and affidavits furnished by him to us and the Lead Manager to disclose details of his educational and professional qualifications in this Draft Shelf Prospectus. We and the Lead Manager have been unable to independently verify these details prior to inclusion in this Draft Shelf Prospectus. Further, there can be no assurances that he will be able to trace the relevant documents pertaining to his qualifications in the future, or at all.

External Risks

56. ***A slowdown in economic growth in India may adversely affect our business and results of operations.***

Our financial performance and the quality and growth of our business depend significantly on the health of the overall Indian economy, the gross domestic product growth rate and the economic cycle in India. A substantial portion of our assets and employees are located in India, and we intend to continue to develop and expand our facilities in India.

Our performance and the growth of our business depend on the performance of the Indian economy and the economies of the regional markets we currently serve. These economies could be adversely affected by various factors, such as political and regulatory changes including adverse changes in liberalization policies, social disturbances, religious or communal tensions, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in these economies could adversely affect the ability of our customers to afford our services, which in turn would adversely impact our business and financial performance and results of operations.

57. ***If inflation were to rise significantly in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers and our profits might decline.***

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of transportation, salaries, and other expenses relevant to our business.

High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase the amount of commission to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected.

Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

58. ***Our business and activities may be affected by competition law in India.***

The Competition Act, 2002 was enacted for the purpose of preventing practices having an adverse effect on competition in India and has mandated the CCI to separate such practices. Under the Competition Act, any arrangement, understanding or action whether or not formal or informal which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties. Further, any agreement among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the relevant market is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void.

The Competition Act also prohibits abuse of dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be deemed guilty of the contravention and liable to be punished.

On March 4, 2011, the Government of India notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. The combination regulation provisions require that acquisition of shares, voting rights, assets or control or mergers or amalgamations which cross the prescribed asset and turnover based thresholds shall be mandatorily notified to and pre-approved by the CCI. In addition, on May 11, 2011, the CCI issued the final Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the combination regulation provisions under the Competition Act.

If we are adversely impacted, directly or indirectly, by any provision of the Competition Act, or its application or interpretation, generally or specifically in relation to any merger, amalgamation or acquisition proposed by us, or any enforcement proceedings initiated by the CCI, either *suo moto* or pursuant to any complaint, for alleged violation of any provisions of the Competition Act, our business, financial condition and results of operations may be materially and adversely affected.

59. ***Companies operating in India are subject to a variety of central and state government taxes and surcharges. Any increase in tax rates could adversely affect our business and results of operations.***

Tax and other levies including stamp duty imposed by the central and state governments in India that affect our tax liability include central and state taxes and other levies, income tax, goods and service tax, stamp duty and other special taxes and surcharges which are introduced on a temporary or permanent basis from time to time. Moreover, the central and state tax scheme in India is extensive and subject to change from time to time. The statutory corporate income tax in India, which includes a surcharge on the tax and an education and health cess on the tax and the surcharge, is currently up to 25.17%. The central or state government may in the future increase the corporate income tax it imposes. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable. Additional tax exposure could adversely affect our business and results of operations.

There can be no assurance that our Company will pay adequate stamp duty as levied in all states where our Company functions or pay any stamp duty altogether, which may result in additional duty being levied on our Company and our Company getting exposed to statutory liabilities, which may have an adverse impact on our financial position and our reputation.

60. ***Civil unrest, acts of violence including terrorism or war involving India and other countries could materially and adversely affect the financial markets and our business.***

Civil unrest, acts of violence including terrorism or war, may negatively affect the Indian stock markets and also materially and adversely affect the worldwide financial markets. These acts may also result in a loss of business confidence, make travel and other services more difficult and ultimately materially and adversely affect our business. Although the governments of India and neighbouring countries have recently been engaged in conciliatory efforts, any deterioration in relations between India and neighbouring countries might result in investor concern about stability in the region, which could materially and adversely affect our business, results of operations and financial condition.

61. ***Financial difficulty and other problems in certain financial institutions in India could adversely affect our business, results of operations and financial condition.***

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business, results of operations and financial condition. As the Indian financial system operates within an emerging market, it faces risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme.

62. ***Financial instability in other countries could disrupt our business***.

The Indian market and the Indian economy are influenced by economic and market conditions in other countries. Although economic conditions are different in each country, investors' reactions to developments in one country may have adverse effects on the economy as a whole, in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause volatility in Indian financial markets and indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy, including the movement of exchange rates and interest rates in India. In the event that the current difficult conditions in the global credit markets continue or if the recovery is slower than expected or if there any significant financial disruption, this could have an adverse effect on our cost of funding, loan portfolio, business, prospects, results of operations and financial condition.

63. ***Any downgrading of India's debt rating by an international rating agency could adversely affect our business, results of operations and financial condition.***

India's sovereign debt rating could be downgraded due to various factors, including changes in tax or fiscal policy or a decline in India's foreign exchange reserves, which are outside our control. Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could have an adverse effect on our business, financial performance, profits and ability to obtain financing for capital expenditures and the interest and redemption of the NCDs.

64. ***A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact us.***

A decline in India's foreign exchange reserves could affect the liquidity and result in higher interest rates in the Indian economy, which could adversely affect our business, our future financial performance, our results of operations and financial condition.

65. ***Natural disasters and other disruptions could adversely affect the Indian economy and could adversely affect our business, results of operations and financial condition***.

Our operations, including our branch network, may be damaged or disrupted as a result of natural disasters such as earthquakes, floods, heavy rainfall, epidemics, tsunamis and cyclones and other events such as protests, riots and labor unrest. Such events may lead to the disruption of information systems and telecommunication services for sustained periods. They also may make it difficult or impossible for employees to reach our business locations. Damage or destruction that interrupts our provision of services could adversely affect our reputation, our relationships with our customers, our senior management team's ability to administer and supervise our business or it may cause us to incur substantial additional expenditure to repair or replace damaged equipment or rebuild parts of our branch network. Any of the above factors may adversely affect our business, results of operations and financial condition.

66. ***An outbreak of an infectious disease or any other serious public health concerns in India or elsewhere could adversely affect our business.***

The outbreak of an infectious disease in India or elsewhere or any other serious public health concern could have a negative impact on the global economy, financial markets and business activities worldwide, which could adversely affect our business. Although, we have not been adversely affected by such outbreaks in the past, we can give you no assurance that a future outbreak of an infectious disease or any other serious public health concern will not have a material adverse effect on our business.

67. ***Instability of economic policies and the political situation in India could adversely affect the fortunes of the industry.***

There is no assurance that the liberalisation policies of the government will continue in the future. Protests against privatisation could slow down the pace of liberalisation and deregulation. The Government of India plays an important role by regulating the policies and regulations that govern the private sector. The current economic policies of the government may change at a later date. The pace of economic liberalisation could change and specific laws and policies affecting the industry and other policies affecting investments in our Company's business could change as well. A significant change in India's economic liberalisation and deregulation policies could disrupt business and economic conditions in India and thereby affect our Company's business.

Unstable domestic as well as international political environment could impact the economic performance in the short term as well as the long term. The Government of India has pursued the economic liberalisation policies including relaxing restrictions on the private sector over the past several years. The present Government has also announced polices and taken initiatives that support continued economic liberalisation.

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Our Company's business may be affected not only by changes in interest rates, changes in Government policy, taxation, social and civil unrest but also by other political, economic or other developments in or affecting India.

Risks pertaining to this Issue

68. ***Trading of the NCDs may be limited by temporary exchange closures, broker defaults, settlement delays, strikes by brokerage firm employees and disputes.***

The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement, delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

69. ***Changes in interest rates may affect the price of our NCDs.***

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

70. ***You may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs.***

    Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD holders on the assets adequate to ensure minimum 100.00% asset cover for the NCDs, the realisable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

71. ***There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.***

    In accordance with Indian law and practice, permissions for listing and trading of the NCDs issued pursuant to this Issue will not be granted until after the NCDs have been issued and Allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the Stock Exchanges. There could be a failure or delay in listing the NCDs on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the Stock Exchanges, our Company will forthwith repay, without interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to this Draft Shelf Prospectus. There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.

72. ***Our Company may raise further borrowings and charge its assets after receipt of necessary consents from its existing lenders.***

    Our Company may, subject to receipt of all necessary consents from its existing lenders and the Debenture Trustee to the Issue and/or approvals or permissions that may be required under any statutory, regulatory or contractual requirement, raise further borrowings and charge its assets, provided the stipulated minimum-security cover is maintained. Our Company is free to decide the nature of security that may be provided for future borrowings. In such a scenario, the NCD holders will rank *pari passu* with other charge holder and to that extent, may reduce the amounts recoverable by the NCD holders upon our Company's bankruptcy, winding-up or liquidation.

73. ***Payments to be made on the NCDs will be subordinated to certain tax and other liabilities preferred by law. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.***

    The NCDs will be subordinated to certain liabilities preferred by law such as the claims of the Government on account of taxes, and certain liabilities incurred in the ordinary course of our business. In particular, in the event of bankruptcy, liquidation or winding-up, our Company's assets will be available to pay obligations on the NCDs only after all of those liabilities that rank senior to these NCDs have been paid as per Section 327 of the Companies Act, 2013. In the event of bankruptcy, liquidation or winding-up, there may not be sufficient assets remaining to pay amounts due on the NCDs.

74. ***You may be subject to taxes arising on the sale of the NCDs.***

    Sales of NCDs by any holder may give rise to tax liability, as discussed in "*Statement of Tax Benefits*" on page 68 of this Draft Shelf Prospectus.

75. ***There may be no active market for the non-convertible debentures on the WDM segment of the stock exchange. As a result, the liquidity and market prices of the non-convertible debentures may fail to develop and may accordingly be adversely affected.***

    There can be no assurance that an active market for the NCDs will develop. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors inter alia including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country; (ii) the market for listed debt securities; (iii) general economic conditions; and (iv) our financial performance, growth prospects and results of operations. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

76. ***The fund requirement and deployment mentioned in the Objects of the Issue have not been appraised by any bank or financial institution***

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company. For further details, see "*Objects of the Issue*" on page 65 of this Draft Shelf Prospectus. The fund requirement and deployment are based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue. Further, as per the provisions of the SEBI Debt Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for the Issue.

77. ***There may be a delay in making refund to Applicants.***

We cannot assure you that the monies refundable to you, on account of (i) withdrawal of your applications, (ii) our failure to receive minimum subscription in connection with the Base Issue, (ii) withdrawal of the Issue, or (iii) failure to obtain the final approval from the Stock Exchanges for listing of the NCDs, will be refunded to you in a timely manner. We however, shall refund such monies, with the interest due and payable thereon as prescribed under applicable statutory and/or regulatory provisions.

78. ***The Issuer, being a listed company is not required to maintain debenture redemption reserve ("DRR").***

Our NCDs are listed on BSE Limited and National Stock Exchange of India Limited. Pursuant to Ministry of Corporate Affairs notification dated August 16, 2019 amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, a listed company is not required to maintain DRR for debentures issued through a public issue. Hence, investors shall not have the benefit of reserve funds to cover the repayment of the principal and interest on the NCDs.

SECTION III-INTRODUCTION

SUMMARY OF BUSINESS

OVERVIEW

We are a non-deposit taking NBFC registered with the RBI and a 100% subsidiary of IHFL, one of the largest listed housing finance companies ("**HFCs**") in India in terms of AUM. We are also a notified financial institution under the SARFAESI Act.

We focus primarily on long-term secured mortgage-backed loans. We offer loans against property to our target client base of salaried and self-employed individuals, including to small and medium-sized enterprises. We also offer mortgage loans to real estate developers in India in the form of lease rental discounting for commercial premises and construction finance. As of March 31, 2020, mortgage loans constituted 80.64% of our loan book.

As of December 31, 2020, we had offices spread across India. Our network (including that of parent company IHFL) gives us a pan-India presence across Tier I, Tier II and Tier III cities in India which also allows us to interact with and service our customers at the local level, whilst ensuring that credit decisions are taken at regional hubs in accordance with defined and identified internal parameters and protocols. As of December 31, 2020, we had a sales team of over 800 employees who were located across our network (including that of IHFL). We also rely on external channels such as direct sales agents and business associates for referring potential customers.

Our borrowings as at December 31, 2020, March 31, 2020, 2019 amounted to ₹ 8,390.54 crores, ₹ 8,878.06 crores and ₹ 10,806.62 crores, respectively and our borrowings as per I GAAP as at March 31, 2018 amounted to ₹ 6,937.94 crores . We rely on long-term and medium-term borrowings from banks, amongst others, including issuances of non-convertible debentures. We have a diversified lender base comprising public sector undertakings ("**PSUs**"), private banks, mutual funds, provident funds, pension funds and others. We also sell down parts of our portfolio through securitization and/or direct assignment of loan receivables primarily to various banks, which results in an additional source of liquidity for us.

We have long-term credit ratings of "AA; Stable" from CRISIL and "AA; Negative" from CARE (for the long-term loans and non-convertible debentures) and "AA+/Negative" from Brickwork Ratings (for our long-term loans and non-convertible debentures). Additionally, we have a credit rating of "AA; Stable" from CRISIL and "AA; Negative" from CARE Ratings and "AA+/Negative" from Brickwork Ratings in relation to our subordinated debt programme.

As at December 31, 2020 and March 31, 2020 and 2019, our gross non-performing assets NPAs as a percentage of our AUM were 5.44%, 2.56% and 1.12%, respectively, and our net NPAs (which reflect our gross NPAs less provisions for ECL on NPAs (Stage 3) for the nine months ended December 31, 2020 and the years ended March 31, 2020 and 2019, as a percentage of our AUM were 3.89%, 2.00% and 0.84%, respectively. As at March 31,2018 our gross non-performing assets NPAs as a percentage of our AUM were 0.61%, and our net NPAs (which reflect our gross NPAs less provision for NPAs) as a percentage of our AUM were 0.40%. As of December 31, 2020, and March 31, 2020, 2019 and 2018, our capital to risk (weighted) assets ratio ("**CRAR**") was 34.62%, 32.44%, 27.88% and 18.72% respectively.

For the nine months ended December 31, 2020 and the Fiscal Years 2020, 2019 and 2018, our total revenue from operations was ₹ 1,256.09 crores, ₹ 2,190.47 crores, ₹ 1,759.91crores and ₹ 928.06 crores, respectively and our net profit after taxes was ₹ 277.97 crores, ₹ 19.81crores, ₹ 323.00 crores and ₹ 268.56 crores, respectively. Our revenue from operations as per IND AS grew at a compound annual growth rate ("**CAGR**") of 53.63% from Fiscal Year 2018 to Fiscal Year 2020.

Our revenue from operations increased by ₹ 430.56 crores from ₹ 1,759.91 crores for the Fiscal Year 2019 to ₹ 2,190.47 crores for the Fiscal Year 2020.

The key areas of focus for us and our Board are asset liability management and risk management. We have formed an asset liability management committee and an integrated risk management committee. Our asset liability management committee reviews our asset and liability positions, approves, reviews, monitors and modifies our credit policy periodically and gives directions to our finance and treasury teams in managing the same. Our integrated risk management committee periodically approves, reviews, monitors and modifies various policies including our credit policy, operation policy and policies pertaining to our information security management, and the committee also reviews regulatory requirements and implements appropriate mechanisms and guidelines related to risk management.

Our key operating and financial metrics derived from Reformatted Financial Statements prepared in accordance with Ind AS for Fiscal 2020 and 2019 and Indian GAAP for Fiscal 2018 as specified below, are as follows:

(*₹ in Crores*)

Parameters	Fiscal 2020	Fiscal 2019
	Ind AS	Ind AS
Net worth (net of deferred tax assets)	4,378.58	4,375.05
Total Borrowings of which	8,878.06	10,806.62
Debt securities	2,440.38	2,215.22
Borrowings (other than debt securities)	6,088.82	8,247.44
Subordinated Liabilities	348.86	343.96
Financial assets (excluding cash and cash equivalents, bank balances other than cash and cash equivalents and Loan book)	1,719.98	581.48
Cash and cash equivalents	2,000.27	488.16
Bank balances other than cash and cash equivalents	52.36	52.53
Loan book as per IND AS (Net off ECL Provision)	11,706.49	15,749.83
Property, Plant and Equipment and Other Intangible assets	7.28	12.38
Non-financial assets (excluding deferred tax assets, Property, Plant and Equipment and Other Intangible assets)	872.55	160.68
Financial liabilities (excluding Debt Securities , Borrowings (other than Debt Securities) and Subordinated liabilities)	3,067.28	1,825.38
Non-financial liabilities	35.01	38.01
Interest Income (Including Treasury Income)	2,148.73	1,636.39
Finance Costs	1,158.18	826.80
Impairment on financial instruments	952.92	364.41
Total Comprehensive Income	19.76	340.68
Gross NPA (%)(As a percentage of AUM)	2.56%	1.12%
Net NPA (%)(As a percentage of AUM)	2.00%	0.84%
CRAR - Tier I Capital Ratio (%)	29.54%	25.41%
CRAR - Tier II Capital Ratio (%)	2.89%	2.47%

(*₹ in Crores*)

Parameters	Fiscal 2018
	IGAAP
Net-worth (Equity share capital + Reserve and surplus-Deferred tax assets)	1,250.78
Total Debt of which:	6,937.94
Non-current Maturities of Long Term Borrowing	3,826.57
Short Term Borrowing	2,610.94
Current Maturities of Long Term Borrowing	500.43
Net Fixed Assets	12.82
Non-Current Assets (Excluding Fixed Assets & Assets Under Management)	6,906.97

Parameters	Fiscal 2018
	IGAAP
Cash and Bank Balances	297.96
Current Investments	177.15
Current Assets (Excluding Cash and Bank Balances & Current Investments & Assets Under Management)	1,112.66
Current Liabilities (Excluding Short term borrowing , Current Maturities of Long Term Borrowing)	253.36
Non-Current Liabilities (excluding long term borrowings)	32.93
Assets Under Management	8263.59
Off Balance Sheet Assets (Sold down book)	450.83
Interest Income (Including Treasury Income)	745.93
Finance Costs	361.36
Provisioning & Write-offs (net of recoveries)	68.37
PAT	254.9
Gross NPA (%)(As a percentage of AUM)	0.60%
Net NPA (%)(As a percentage of AUM)	0.40%
Tier I Capital Adequacy Ratio (%)-Standalone	15.26%
Tier II Capital Adequacy Ratio (%)-Standalone	3.46%

Our key operational and financial parameters, prepared in accordance with IND AS as at and for the nine-month period ended December 31, 2020 are as follows:

(*₹ in Crores*)

Parameters	As at and for the nine month period ended December 31, 2020
Net worth (net of deferred tax assets)	4,612.19
Total Borrowings of which	8,390.54
Debt securities	2,190.66
Borrowings (other than debt securities)	5,850.67
Subordinated Liabilities	349.21
Financial assets (excluding cash and cash equivalents, Bank balances other than cash and cash equivalents and Loan book)	1,020.97
Cash and cash equivalents	363.69
Bank balances other than cash and cash equivalents	33.17
Loan book as per IND AS (Net off ECL Provision)	12,641.13
Property, Plant and Equipment and Other Intangible assets	2.93
Non-financial assets (excluding deferred tax assets, Property, Plant and Equipment and Other Intangible assets)	581.54
Financial liabilities (excluding Debt Securities , Borrowings (other than Debt Securities) and Subordinated liabilities)	1,501.07
Non-financial liabilities	139.63
Interest Income (Including Treasury Income)	1,250.50
Finance Costs	772.07
Impairment on financial instruments	110.24
Total Comprehensive Income	278.31

Parameters	As at and for the nine month period ended December 31, 2020
Gross NPA (%)(As a percentage of AUM)	5.44%
Net NPA (%)(As a percentage of AUM)	3.89%
CRAR - Tier I Capital Ratio (%)	32.01%
CRAR - Tier II Capital Ratio (%)	2.61%

Our Company's Evolution

The Company, as an incorporated legal entity came into existence on July 7, 2006, under the Companies Act, 1956, having been registered on such date with the Registrar of Companies, National Capital Territory of Delhi and Haryana under registration no. U65923DL2006PLC150632 with the name Indiabulls Commercial Credit Limited. The name of the Company was changed to Indiabulls Infrastructure Credit Limited on January 21, 2009, and further changed to Indiabulls Commercial Credit Limited on March 12, 2015.

The RBI had issued us a certificate of registration bearing No.N-14.03136 on February 12, 2008 to carry on the business of NBFC without accepting public deposit, and consequent to the change in the name of the Company, RBI had issued us a fresh certificate of registration bearing No. N-14.03136 on April 16, 2015.

Brief Timeline:

Date/Period	Activities
July 7, 2006	Incorporated as Public Limited Company under the Companies Act, 1956, as a wholly owned subsidiary of erstwhile Indiabulls Financial Services Limited (now merged with Indiabulls Housing Finance Limited)
February 12, 2008	Registered with Reserve Bank of India to carry on the business of a non-banking financial institution without accepting public deposits.
February 20, 2008	Our Company obtained the Certificate of commencement of business
January 21, 2009	The name of the Company was changed to Indiabulls Infrastructure Credit Limited.
March 12, 2015	The name of the Company was changed to Indiabulls Commercial Credit Limited
April 16, 2015	RBI issued fresh Certificate of Registration No. N-14.03136 dated April 16, 2015 consequent to change in name to Indiabulls Commercial Credit Limited
March 31, 2016	Scheme of Arrangement under Sections 391-394 of the Companies Act, 1956 between Indiabulls Finance Company Private Limited (the Transferor Company), Indiabulls Commercial Credit Limited (the Company or the Transferee Company) and their respective shareholders and creditors, which became effective from April 1, 2015

We operate under the "Indiabulls" brand name, which is a reference to the Indiabulls group of companies, a diversified set of businesses in the financial services, real estate and securities sectors.

Our Company has one subsidiary, i.e., Indiabulls Asset Management Mauritius*.

**Indiabulls Asset Management had voluntarily filed an application with the Registrar of Companies, Mauritius on November 25, 2019 for winding-up of the company's operation and liquidation. As on the date of this Draft Shelf Prospectus, the application for winding up of the company is currently under process.*

Business of our Subsidiary

- To act as collective investment schemes manager under the provisions of Securities Act, 2005 and Securities (Collective Investment Schemes and Close-end Funds) Regulations, 2008 and other related businesses; and
- To engage in global business as permitted under the Financial Services Act, 2007 and any other laws for the time being in force of Republic of Mauritius and other related business.

Corporate Structure

<u>Indiabulls Commercial Credit Limited Group Structure as on the date of this Draft Shelf Prospectus</u>

**Indiabulls Asset Management Mauritius had voluntarily filed an application with the registrar of companies, Mauritius, on November 25, 2019, for winding-up of its operations and liquidation. The application is currently under process.*

GENERAL INFORMATION

Our Company was incorporated as 'Indiabulls Commercial Credit Limited', a public limited company under the provisions of the Companies Act, 1956 on July 7, 2006, pursuant to a certificate of incorporation issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana ("**RoC**"), dated July 7, 2006. Subsequently, the name of our Company was changed to 'Indiabulls Infrastructure Credit Limited' on January 21, 2009 and thereafter to 'Indiabulls Commercial Credit Limited' on March 12, 2015.

The CIN of our Company is U65923DL2006PLC150632. Our Company is registered as a Non-Banking Financial Company under section 45-IA of the Reserve Bank of India Act, 1934. For further details regarding changes to the name and registered office of our Company, please see "*History and other Corporate Matters*" on page 109 of this Draft Shelf Prospectus.

We received a certificate of registration from the RBI to carry on the business of a non-banking financial institution without accepting public deposits on February 12, 2008 having registration number N-14.03136. Pursuant to change of name of the Company from Indiabulls Commercial Credit Limited to Indiabulls Infrastructure Credit Limited on January 21, 2009, the RBI issued fresh certificate of registration on January 30, 2009 to the Company. Further, pursuant to change in name of the Company from Indiabulls Infrastructure Credit Limited to Indiabulls Commercial Credit Limited on March 12, 2015, the RBI issued fresh certificate of registration on April 16, 2015 to the Company.

Registered Office

M-62 & 63, First Floor
Connaught Place
New Delhi – 110001
Telephone No.: +91 11 3025 2900
Facsimile No.: +91 3015 6901
Website: www.indiabullscommercialcredit.com
Email: helpdesk@indiabulls.com

Corporate Office(s)

"Indiabulls House", Tower I, 18th Floor
One International Centre, S. B. Marg
Elphinstone Road, Mumbai 400 013
Telephone No.: +91 22 6189 1000
Fascimile No.: +91 22 6189 1421
Email: helpdesk@indiabulls.com
Website: http://www.indiabullscommercialcredit.com
Registration No.: 150632
Corporate Identification Number: U65923DL2006PLC150632
Legal Entity Identifier: 33580063XY5DJRPSF215
PAN No.: AABCI5559G

For further details regarding changes to our Registered Office, see "*History and Other Corporate Matters*" beginning on page 109 of this Draft Shelf Prospectus.

Contents of the Memorandum of Association of the Company as regards its objects

For information on the Company's main objects, please see the section titled "*History and Other Corporate Matters – Main Objects*" on page 109 of this Draft Shelf Prospectus. The Memorandum of Association of the Company is a material document for inspection in relation to the Issue. For further details, see the section titled "*Material Contracts and Documents for Inspection*" on page 268 of this Draft Shelf Prospectus.

Liability of the members of the Company

Limited by shares.

Registrar of Companies, National Capital Territory of Delhi and Haryana

Registrar of Companies
National Capital Territory of Delhi and Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi – 110 019
Telephone No.: +91 11 2623 5703, +91 11 2623 5708
Fascimile No.: +91 11 2623 5702
Email: roc.delhi@mca.gov.in

Chief Financial Officer:

The details of our Chief Financial Officer are set out below:

Ashish Kumar Jain
Chief Financial Officer

Indiabulls House
448-451, Udyog Vihar
Phase - V
Gurugram - 122 016
Haryana

Telephone No.: 0124-668 1199
Facsimile No.: 0124-6681240
Email: asjain@indiabulls.com

Compliance Officer and Company Secretary

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

Ajit Kumar Singh
Company Secretary and Compliance Officer
Indiabulls House
448-451, Udyog Vihar
Phase - V
Gurugram - 122 016
Haryana
Telephone No.: 0124-668 1199
Facsimile No.: 0124-6681240
E-mail: ajisingh@indiabulls.com

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

All grievances relating to the Issue or any relevant Tranche 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, Series 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 the relevant SCSB, giving full details such as name, address of Applicant, Application Form number, number of NCDs applied for, amount blocked on Application and the Designated Branch or the collection center of the SCSB where the Application Form was submitted by the ASBA Applicant.

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

All grievances arising out of Applications for the NCDs made through the online Stock Exchanges mechanism or through Trading Members may be addressed directly to the respective Stock Exchanges.

Lead Manager

Edelweiss Financial Services Limited

Edelweiss House
Off CST Road, Kalina
Mumbai – 400 098
Maharashtra, India
Telephone No.: +91 22 4086 3535
Facsimile No.: +91 22 4086 3610
Email: iccl.ncd@edelweissfin.com
Investor Grievance Email:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Ms. Saili Dave and Mr. Malay Shah
Compliance Officer: Mr. B. Renganathan
SEBI Registration No.: INM0000010650
CIN: L99999MH1995PLC094641

Consortium Members / Lead Brokers

As to be specified in the relevant Tranche Prospectus.

Debenture Trustee

Beacon Trusteeship Limited

4 C&D, Siddhivinayak Chambers,
Gandhi Nagar, Opp. MIG Cricket Club
Bandra (East), Mumbai- 400 051
Tel: +91 22 26558759
Email: compliance@beacontrustee.co.in
Investor Grievance e-mail: investorgrievances@beacontrustee.co.in
Website: www.beacontrustee.co.in
Contact Person: Ms. Veena Nautiyal
SEBI Registration Number: IND000000569
CIN: U74999MH2015PLC271288

Beacon Trusteeship Limited has, pursuant to regulation 4(4) of SEBI Debt Regulations, by its letter dated March 29, 2021, given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Draft Shelf Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue. Please see "Annexure – C" to this Draft Shelf Prospectus.

All the rights and remedies of the NCD Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the NCD Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the NCD Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the NCD Holders. For details on the terms of the Debenture Trust Deed, please see "*Issue Related Information*" on page 196 of this Draft Shelf Prospectus.

Registrar to the Issue

KFIN Technologies Private Limited (*formerly Karvy Fintech Private Limited*)

Selenium Tower B, Plot No – 31 & 32,
Financial District, Nanakramguda, Serilingampally
Hyderabad Rangareddy, Telangana– 500 032
Telephone No.: +91 40 6716 2222
Facsimile No.: +91 40 2343 1551
Toll free number: 18003454001
Email: iccl.ncdipo@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. M Murali Krishna
SEBI Registration Number: INR000000221
CIN: U72400TG2017PTC117649

KFIN Technologies Private Limited (*formerly Karvy Fintech Private Limited*) has by its letter dated March 25, 2021 given its consent for its appointment as Registrar to the Issue and for its name to be included in this Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche 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 the 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 etc. 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 ("**DP**") and the collection centre of the relevant Designated Intermediary where the Application was submitted.

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

Statutory Auditor

Ajay Sardana Associates
Chartered Accountants

D – 118, Saket,
New Delhi – 110 017
Telephone No.: + 91 11 41663630
Email: asa-firm@outlook.com
Firm registration number: 016827N
Contact Person: Mr. Rahul Mukhi
Date of appointment as Statutory Auditor: September 8, 2017
Term of appointment: Till the conclusion of the Annual General Meeting for Fiscal ending on March 31, 2022
Peer review no.: 011282

Credit Rating Agencies

CARE Ratings Limited
4th Floor, Godrej Coliseum,
Somaiya Hospital Road,
Off. Eastern Express Highway,
Sion (E), Mumbai - 400 022
Telephone: +91-22-6754 3468
Facsimile: +91-22-6754 3457

Email: himanshu.shethia@careratings.com
Contact Person: Himanshu Shethia
SEBI Registration No: IN/CRA/004/1999

Brickwork Ratings India Private Limited
3rd Floor, Raj Alkaa Park
Kalena Agrahara, B.G. Road
Bangalore – 560 076
Telephone: 080 - 4040 9940
Email: CO@brickworkratings.com
Website: www.brickworkratings.com
Contact Person: Ajanth Kumar
SEBI Registration No: IN/CRA/005/2008

Disclaimer clause of the CARE Ratings Limited

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. 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.

Disclaimer clause of Brickworks Ratings India Private Limited

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Legal Advisor to the Issue

L&L Partners (*formerly Luthra and Luthra Law Offices*)

20th Floor, Tower 2, Unit A-2
One International Centre,
Elphinstone Road
Senapati Marg, Lower Parel
Mumbai 400 013
Telephone No.: +91 22 4354 7005
Facsimile No.: +91 22 6630 3700

Public Issue Account Bank

As specificed in the relevant Tranche Prospectus.

Refund Bank

As specificed in the relevant Tranche Prospectus.

Sponsor Bank

As specified in the relevant Tranche Prospectus.

Bankers to our Company

Bank of Maharashtra, Industrial Finance Branch
Apeejay House, Ground Floor
Dr. V.B. Gandhi Marg, Fort
Mumbai – 400 001
Telephone: 022-22844882
Email: brmgr972@mahabank.co.in
Website: www.bankofmaharashtra.in
Contact Person: L Satyanarayana

Canara Bank
Large Corporate Branch
2nd Floor Maker Tower E wing
Mumbai – 400 005
Telephone: 2216 6649
Email: cb15088@canarabank.com
Website: www.canarabank.com
Contact Person: Nawal Kumar, Chief Manager

Indian Bank
LCB, 17, Ground Floor
Parliament Street
New Delhi
Telephone: 011 – 2334 2104
Email: corporatebranch.delhi@indianbank.co.in
Website: www.indianbank.co.in
Contact Person: Mr. N Srinivasan, AGM

Karnataka Bank Limited
Corporate Finance Branch,
294-A, Haroon House,
Perin Nariman Street, Behind RBI, Fort,
Mumbai – 400 001
Telephone: 022 – 2266 2283
Fax: 022 – 2266 1685
Website: www.karnatakabank.com
Contact Person: Mr. Manoj Kumar PV, Assistant General Manager

Punjab National Bank
ELCB Delhi
Tolstoy House
Tolstoy Marg,
New Delhi - 110001
Telephone: 011- 2331 1654
Fax: 022-22651752
Email: bo2164@pnb.co.in
Website: www.pnbindia.com

Punjab & Sind Bank
BO Corporate Banking Branch
27/29 Ambalal Doshi Marg
Fort Mumbai – 400023
Maharashtra
Telephone: 022-22658721
Fax: 022-22651752
Email: b0385@psb.co.in
Website: www.psbindia.com
Contact Person: Mr. Vinay Khandelwal

RBL Bank Limited
6th Floor, Tower 2B,
One Indiabulls Centre, 841

Union Bank of India
Industrial Finance Branch, Mumbai,
Union Bank Bhawan,

Senapati Bapat Marg
Lower Parel (West) Mumbai – 400013
Telephone: 022-43020600
Email: sumant.paul@rblbank.com
Website: www.rblbank.com
Contact Person: Sumant Paul

First Floor, 239, Vidhan Bhavan Marg,
Nariman Point, Mumbai – 400 021
Telephone: +91 22-222892000
Fax: +91 22 - 222855037
Email: ifbmumbai@unionbankofindia.com
Website: www.unionbankofindia.com
Contact Person: P V N Raju

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.

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

Syndicate SCSB Branches

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

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 Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat), the list of branches of the SCSBs at the Specified Cities named by the respective SCSBs to receive deposits of 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.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and the ASBA Circular, Applicants can submit the Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

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

The liability prescribed under Section 447 of the Companies Act 2013 for fraud involving an amount of at least ₹ 10 lakh or 1.00% of the turnover of the Company, whichever is lower, includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount. In case the fraud involves (i) an amount which is less than ₹ 10 lakh or 1.00% of the turnover of the Company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to ₹ 20 lakh or with both.

Underwriting

The Issue is not underwritten.

Arrangers to the Issue

There are no arrangers to the Issue.

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. If our Company does not receive the minimum subscription of 75% of the Base Issue prior to the Issue Closing Date the entire subscription amount shall be unblocked in the Applicants ASBA Account within 6 Working Days from the date of closure of the Issue. In the event, there is a delay, by our Company in unblocking aforesaid ASBA Accounts within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular bearing no. ((No. CIR/IMD/DF/18/2013) dated October 29, 2013, circular no. SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 ("UPI Mechanism Circular") and circular no. CIR/DDHS/P/121/2018 dated August 16 , 2018.

Credit Rating and Rationale

The NCDs proposed to be issued under this Issue have been rated CARE AA; Negative (Double A; Outlook: Negative) for an amount of ₹ 1,000 crores, by CARE Ratings Limited vide their letter no. CARE/HO/RL/2020-2021/4866 dated March 26, 2021, BWR AA+/Negative for an amount of ₹ 1,000 crores, by Brickworks Ratings India Private Limited vide their letter no. BWR/NCD/MUM/CRC/ABP/0270/2020-21dated March 29, 2021. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. These ratings are subject to suspension, revision or withdrawal at any time by the assigning rating agencies and should be evaluated independently of any other ratings. For the rationale for these ratings, see Annexure A and B of this Draft Shelf Prospectus.

Utilisation of Issue proceeds

For details on utilization of Issue proceeds, please see "*Objects of the Issue*" on page 65 of this Draft Shelf Prospectus.

Issue Programme

ISSUE PROGRAMME*	
ISSUE OPENS ON	As specified in the relevant Tranche Prospectus
ISSUE CLOSES ON	As specified in the relevant Tranche Prospectus

** The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. during the period indicated above, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or the Bond Issue Committee. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in all the newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given on or before such earlier or initial date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 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 p.m. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the chapter titled "Issue Related Information" on page 196 of this Draft Shelf Prospectus.*

Applications Forms for the Issue will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, during the Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Consortium or the Trading Members of the Stock Exchange, as the case maybe, at the centres mentioned in Application Form through the ASBA mode, (a) directly by the Designated Branches of the SCSBs or (b) by the centres of the Consortium, sub-brokers or the Trading Members of the Stock Exchange, as the case maybe, only at the selected cities. On the Issue Closing Date Application Forms will be accepted only between 10 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchange. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 PM on one Working Day after the Issue Closing Date For further details please refer to the chapter titled "*Issue Related Information*" on page 196 of this Draft Shelf Prospectus.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Manager or Trading Members of the Stock Exchange are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that, within each category of investors the Basis of Allotment under the Issue will be on a date priority basis except on the day of oversubscription, if any, where the Allotment will be proportionate.

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

CAPITAL STRUCTURE

1. **Details of Share Capital and Securities Premium Account**

The following table lays down the details of our authorised, issued, subscribed and paid-up share capital and securities premium account as at December 31, 2020:

(in ₹, except share data)

	PARTICULARS	Aggregate value at face value (except for securities premium)
A.	**AUTHORISED SHARE CAPITAL**	
	250,000,000 Equity Shares of ₹ 10 each	2,500,000,000
	22,500,000 Preference Shares of ₹ 10 each	225,000,000
	Total Authorised Share Capital	2,725,000,000
B.	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL**	
	247,799,324 Equity Shares of ₹ 10 each	2,477,993,240.00
	Total Issued Subscribed and Paid-Up Capital	2,477,993,240.00
C.	**SECURITIES PREMIUM ACCOUNT**	
	Securities Premium Account as at December 31 ,2020	32,494,129,147

Note: There will be no change in the capital structure and securities premium account due to the issue and allotment of the NCDs. None of the Equity Shares of our Company are either pledged or encumbered.

2. **Details of change in authorised share capital of our company as on the date of this Draft Shelf Prospectus for last five years:**

Date of Change (AGM / EGM)	Authorised Share Capital (₹ in crores)	Particulars
Pursuant to the order dated March 15, 2016 of the Hon'ble High Court of Delhi ("**Court**"), approving the scheme of arrangement between Indiabulls Finance Company Private Limited and the Company and their respective shareholders and creditors	66.00	Increase in authorized capital from ₹ 55,00,00,000 divided into 3,25,00,000 Equity Shares and 2,25,00,000 Preference Shares to ₹ 66,00,00,000 divided into 4,35,00,000 Equity Shares and 2,25,00,000 Preference Shares.
October 12, 2017	72.73	Increase in authorized capital from ₹ 660,000,000 divided into 43,500,000 Equity Shares and 22,500,000 Preference Shares to ₹ 727,265,730 divided into 50,226,573 Equity Shares and 22,500,000 Preference Shares.
March 1, 2018	85.00	Increase in authorized capital from ₹ 72,72,65,730 divided into 50,226,573 Equity Shares and 22,500,000 Preference Shares to ₹ 85,00,00,000 divided into 6,25,00,000 Equity Shares and 22,500,000 Preference Shares.
May 31, 2018	135.00	Increase in authorized capital from ₹85,00,00,000/- divided into 6,25,00,000 Equity Shares and 2,25,00,000 Preference Shares to ₹135,00,00,000/- divided into 11,25,00,000 Equity Shares and 2,25,00,000 Preference Shares
January 28, 2019	250.00	Increase in authorized capital from ₹135,00,00,000/- divided into 112,500,000 Equity Shares and 22,500,000 Preference Shares to ₹250,00,00,000/- divided into 227,500,000 Equity Shares and 22,500,000 Preference Shares.
March 14, 2019	272.50	Increase in authorized capital from ₹250,00,00,000/- divided into 227,500,000 Equity Shares and 22,500,000 Preference Shares to ₹272,50,00,000/- divided into 250,000,000 Equity Shares and 22,500,000 Preference Shares.

3. **Share Capital History of our Company for the last five year as on December 31, 2020**

   a) *Details of Equity Share Capital*

The history of the paid-up Equity Share capital of our Company as on December 31, 2020, for the last five years is set forth below:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Premium per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Equity Share Capital (₹)	Nature of Allotment
March 31, 2016	3,28,26,288	10	N.A.	Allotment pursuant to the Scheme	Allotment pursuant to the Scheme	42,826,288	42,82,62,880	Allotment pursuant to the Scheme(4)
October 31, 2017	7,400,285	10	125.13	135.13	Cash	50,226,573	50,22,65,730	Rights Issue(5)
March 22, 2018	1,03,44,828	10	135	145	Cash	6,05,71,401	60,57,14,010	Rights Issue(6)
June 20, 2018	4,70,77,923	10	144	154	Cash	10,76,49,324	1,07,64,93,240	Rights Issue(7)
February 22, 2019	11,76,50,000	10	160	170	Cash	11,76,50,000	1,17,65,00,000	Rights Issue(8)
March 25, 2019	2,25,00,000	10	80	90	Cash	24,77,99,324	2,47,79,93,240	Allotment pursuant to conversion of preference shares into Equity Shares (9)

(1) *The Company, on July 10, 2006, towards initial subscription of the Memorandum of Association of the Company had allotted 49,994 Equity Shares to Indiabulls Financial Services Limited and One Equity Share each to Anil Malan, Ashok Sharma, Vikas Saxena, Satish Chand, Tejinderpal Singh Miglani and Sanjeev Ranjan.*
(2) *The Company, on July 29, 2006, on a rights issue basis had allotted 98,00,000 Equity Shares, at ₹ 25 per Equity Share (including the premium of ₹15 per Equity Share), for cash, to Indiabulls Financial Services Limited.*
(3) *The Company, on July 31, 2006, on a rights issue basis had allotted 1,50,000 Equity Shares, at ₹ 30 per Equity Share (including the premium of ₹20 per Equity Share), for cash, to Indiabulls Financial Services Limited.*
(4) *The Company had issued 3,28,26,288 fully paid-up Equity Shares to the shareholders of Indiabulls Finance Company Private Limited ("**IFCPL**") as on March 31, 2016 in the ratio of three Equity Shares as fully paid-up for every one equity share held in IFCPL.*
The said allotment had been made pursuant to the scheme of arrangement under sections 391-394 of the Companies Act, 1956 between IFCPL (the transferor company), Indiabulls Commercial Credit Limited (the transferee company) and their respective shareholders and creditors, which had been approved by Hon'ble High Court of Delhi, New Delhi on March 15, 2016 and upon receipt of a certified copy of the order on March 31, 2016, filed with the office of registrar of companies, NCT of Delhi & Haryana on March 31, 2016, which is the effective date.
(5) *The Company, on October 31, 2017, on a rights issue basis had allotted 74,00,285 Equity Shares, at ₹ 135.13 per Equity Share (including the premium of ₹125.13 per Equity Share), for cash, to Indiabulls Housing Finance Limited.*
(6) *The Company, on March 22, 2018, on a rights issue basis had allotted 1,03,44,828 Equity Shares, at ₹ 145 per Equity Share (including the premium of ₹135 per Equity Share), for cash, to Indiabulls Housing Finance Limited.*
(7) *The Company, on June 20, 2018, on a rights issue basis had allotted 4,70,77,923 Equity Shares, at ₹154 per Equity Share (including the premium of ₹144 per Equity Share), for cash, to Indiabulls Housing Finance Limited.*
(8) *The Company, on February 22, 2019, on a rights issue basis had allotted 11,76,50,000 Equity Shares, at ₹170 per Equity Share (including the premium of ₹160 per Equity Share), for cash, to Indiabulls Housing Finance Limited.*
(9) *The Company has converted 2,25,00,000 Preference Shares issued at ₹90 per Preference Share to 2,25,00,000 Equity Shares, at ₹90 per Equity Share (including the premium of ₹80 per Equity Share), held by Indiabulls Housing Finance Limited.*

b) Details of Preference Share Capital

The Company has not allotted any preference shares as on December 31, 2020, for the last five years.

4. **Equity shares issued for consideration other than cash for the last five years**

Except for allotment of Equity Shares as detailed under, there has not been any issue of Equity Shares for consideration other than cash:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Reason for Allotment	Cumulative number of Equity Shares	Cumulative Paid up Capital (₹)	Cumulative Share Premium (₹)
March 31, 2016	3,28,26,288	10	N.A.	Allotment pursuant to the Scheme	Allotment pursuant to the Scheme	42,826,288	42,82,62,880	Allotment pursuant to the Scheme(1)

(1) *The Company had issued 3,28,26,288 fully paid-up Equity Shares to the shareholders of Indiabulls Finance Company Private Limited ("**IFCPL**") as on March 31, 2016 (record date) in the ratio of three Equity Shares as fully paid-up for ever one Equity Share held in IFCPL.*
The said allotment had been made pursuant to the scheme of arrangement under sections 391-394 of the Companies Act, 1956 between IFCPL (the transferor company), Indiabulls Commercial Credit Limited (the transferee company)

and their respective shareholders and creditors, which had been approved by Hon'ble High Court of Delhi, New Delhi on March 15, 2016 and upon receipt of a certified copy of the order on March 31, 2016, filed with the office of registrar of companies, NCT of Delhi and Haryana on March 31, 2016, which is the effective date.

5. **Shareholding pattern of our Company as on December 31, 2020**

The shareholding pattern of the Company as of December 31, 2020 is as under:

a. *Equity Shares*

S. No.	Name	No. of Equity Shares	As a % of total number of shares	No. of Equity Shares in demat form
1.	Indiabulls Housing Finance Limited	247,799,300 Equity Shares of ₹ 10 Each	100.00%	247,799,300
2.	Mr. Anil Malhan*	1* Equity Share of ₹ 10 Each	0.00%	-
3.	Mr. Pankaj Sharma*	4* Equity Share of ₹ 10 Each	0.00%	-
4.	Mr. Matbeer Singh*	4* Equity Share of ₹ 10 Each	0.00%	-
5.	Mr. Satish Chand*	4* Equity Share of ₹ 10 Each	0.00%	-
6.	Mr. Sanjeev Kashyap*	4* Equity Share of ₹ 10 Each	0.00%	-
7.	Mr. Ravinder*	4* Equity Share of ₹ 10 Each	0.00%	-
8.	Mr. Gagan Banga*	3* Equity Share of ₹ 10 Each	0.00%	-
Total		247,799,324 Equity Shares of ₹ 10 Each	100.00%	247,799,300

**Held as nominee of Indiabulls Housing Finance Limited*

b. *Preference Shares:*

None

6. **Shareholding of the Promoter in our Company as on December 31, 2020:**

S. No.	Name of the Promoter	Total No. of Equity Shares	No. of Equity Shares in demat form	% of holding
1.	Indiabulls Housing Finance Limited	247,799,324*	247,799,300	100%

**Includes one Equity Share held by Mr. Anil Malhan, four Equity Shares held by Mr. Pankaj Sharma, four Equity Shares by Mr. Matbeer Singh, four Equity Shares by Mr. Satish Chand, four Equity Shares by Mr. Sanjeev Kashyap, four Equity Shares by Mr. Ravinder, and three Equity Shares by Mr. Gagan Banga, respectively, as a nominee of Indiabulls Housing Finance Limited.*

7. **Shareholding of the Promoter in our Company's Subsidiary as on December 31, 2020**

None

8. **Details of the Directors' shareholding in our Company, as on December 31, 2020**

As on December 31, 2020, except the following, none of the Directors hold any Equity Shares, qualification shares or any outstanding options in our Company

Name of Director	Designation	Number of equity shares	Percentage shareholding (%)
Mr. Anil Malhan	Non-Executive Director	1*	Negligible

** Held as Nominee of Indiabulls Housing Finance Limited*

9. **Details of the Directors' shareholding in our Company's Subsidiary, joint ventures and associates, as on December 31, 2020**

None

10. **Statement of the aggregate number of securities of the Company purchased or sold by the Promoter, promoter group and by the directors of the company which is a promoter of the Company and by the Directors of the Company and their relatives within six months immediately preceding the date of filing this Draft Shelf Prospectus:**

None of the members of the promoter group or directors of the Company which is a Promoter of the Company or the directors of the Company and their relatives or Promoter of the Company have purchased or sold any securities of the Company within six months immediately preceding the date of filing this Draft Shelf Prospectus.

11. **Details of top 10 equity shareholders of our Company as on December 31, 2020:**

S. No.	Name	No. of Equity Shares	As a % of total number of shares	No. of Equity Shares in demat form
1.	Indiabulls Housing Finance Limited	247,799,300	100.00	247,799,300
2.	Mr. Anil Malhan*	1	0.00	-
3.	Mr. Pankaj Sharma*	4	0.00	-
4.	Mr. Matbeer Singh*	4	0.00	-
5.	Mr. Satish Chand*	4	0.00	-
6.	Mr. Sanjeev Kashyap*	4	0.00	-
7.	Mr. Ravinder*	4	0.00	-
8.	Mr. Gagan Banga*	3	0.00	-
Total		247,799,324	100.00	247,799,300

**Held as nominee of Indiabulls Housing Finance Limited.*

12. **Top 10 debenture holder (secured and unsecured) of our Company as on December 31, 2020:**

For details of top 10 debenture holders of our Company, please see "*Financial Indebtedness*" on page 155.

13. **Long term debt to equity ratio:**

(₹ in crores)

Particulars	Refer	Prior to the Issue (as on December 31, 2020)	Post Issue (Proforma)
Debt			
Debt securities	(A)	2,190.66	3,190.66
Borrowings (other than debt securities and Securitisation liabilities)	(B)	6,199.88	6,199.88
Debt (A)+(B)	**(C)**	8,390.54	9,390.54
Less: Cash and cash equivalents	**(D)**	363.69	363.69
Total Debt (C - D)	**(E)**	8,026.85	9,026.85
Shareholders' fund			
Share Capital	(F)	247.80	247.80
Other equity	(G)	4,439.33	4,439.33
Less: Deferred tax assets (net)	(H)	74.94	74.94
Total Shareholders' funds (F + G - H)	**(I)**	4,612.19	4,612.19
Total debt/ equity (E/I) (In times)	**(J)**	1.74	1.96
Notes:			
Note 1) The debt-equity ratio post the Issue is indicative on account of the assumed inflow of ₹ 1,000 crores from the proposed Issue as on December 31, 2020 only and does not include contingent and off-balance sheet liabilities. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Date of Allotment.			
Note 2) This statement does not give effect to any movement in Debt Securities or Borrowings (other than Debt Securities) or Subordinated liabilities or Cash and cash equivalents as per Cash Flow Statement post December 31, 2020, except stated in 1 above. Further, this statement also does not give effect to any movement in Share Capital and Other equity post December 31, 2020.			
Note 3) Proposed issue does not include impact of adjustments on account of Ind AS, if any.			

14. None of the Equity Shares have been pledged or otherwise encumbered by our Promoter and Promoter Group.

15. There has been no change in the promoter holding of our Company during the last financial year beyond 26% (as prescribed by RBI).

16. Details of any acquisition or amalgamation in the last one year

    Nil

17. Our Company has not undergone any reorganisation or reconstruction in the last one year prior to filing of this Draft Shelf Prospectus.

18. For details of the outstanding borrowing of our Company, please see "*Financial Indebtedness*" on page 155.

19. As on the date of this Draft Shelf Prospectus, our Company does not have any employee stock option plan.

OBJECTS OF THE ISSUE

Issue Proceeds

Our Company has filed this Draft Shelf Prospectus for a public issue of Secured, Redeemable, NCDs for an amount aggregating up to ₹ 1,000 crores (the "**Shelf Limit**"). The NCDs will be issued in one or more tranches up to the Shelf Limit, on the terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue, which should read together with this Draft Shelf Prospectus.

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

1. For the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company; and
2. General corporate purposes.

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake the activities for which the funds are being raised through the present Issue and also the activities which our Company has been carrying on till date.

The details of the proceeds of the Issue are set forth in the following table:

(₹ in crore)

Sr. No.	Description	Amount
1.	Gross Proceeds of the Issue	As per relevant Tranche Prospectus(es)
2.	Issue Related Expenses*	As per relevant Tranche Prospectus(es)
3.	Net Proceeds (i.e., Gross Proceeds *less* Issue related expenses)	As per relevant Tranche Prospectus(es)

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

Requirement of funds and Utilisation of Net Proceeds

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

Sr. 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 of interest and principal of existing borrowings of the Company	At least 75%
2.	General corporate purposes*	Up to 25%
	Total	**100%**

**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 Issue, in compliance with the SEBI Debt Regulations.*

Issue Related Expenses

The expenses of this Issue include, among others, fees for the Lead Manager and selling commission to the Lead Manager/Members of the Consortium, printing and distribution expenses, legal fees, advertisement expenses, fees payable to RTA, Debenture Trustee, SCSBs' commission / fees, listing fees, commission and fees payable to the intermediaries as provided for in the UPI Mechanism Circular, and any other expense directly related to Issue. The estimated Issue expenses for each Tranche Prospectus shall be specified in respective Tranche Prospectus.

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

Purpose for which there is a Requirement of Funds

As stated in "Issue Proceeds" above.

Funding plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Interim Use of Proceeds

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

Monitoring of Utilization of Funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Board shall monitor the utilization of the proceeds of the Issue. For the relevant Financial Years commencing from Financial Year 2020-2021, our Company will disclose in our financial statements, the utilization of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue. Our Company shall utilize the proceeds of the Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchanges. 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 Circular SEBI/HO/DDHS/08/20 SEBI 20 dated January 17, 2020. Our Company shall utilize the proceeds of the Issue only upon execution of the documents for creation of Security and the Debenture Trust Deed and receipt of listing and trading approval from the Stock Exchange as stated in this Draft Shelf Prospectus in the section titled "*Terms of the Issue*" on page 201 of this Draft Shelf Prospectus.

Other Confirmation

The main objects clause of the Memorandum of Association of our Company permits our Company to undertake its existing activities as well as the activities for which the funds are being raised through this Issue. In accordance with the SEBI Debt Regulations, our Company will not utilize the proceeds of the Issue for providing loans to or for acquisitions of shares of any person who is a part of the same group as our Company or who is under the same management of our Company.

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

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

The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property. The Issue proceeds shall not be used for buying, trading or otherwise dealing in equity shares of any listed company.

The Issue proceeds from NCDs allotted to Banks will not be utilized for any purpose which may be in contravention of the RBI guidelines or bank financing to NBFCs including those relating to classification as capital market or any other sectors that are prohibited under the RBI Regulations.

Variation in terms of contract or objects

The Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which this Draft Shelf Prospectus is issued, except as may be prescribed under the applicable laws and under Section 27 of the Companies Act, 2013.

Utilisation of Issue Proceeds

1. All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013 and our Company will comply with the conditions as stated therein, and these monies will be transferred to Company's bank account after receipt of listing and trading approvals.

2. The allotment letter shall be issued, or application money shall be refunded in accordance with the Applicable Law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

3. Details of all monies utilised out of each Tranche Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilized.

4. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) 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 the Issue remains unutilized indicating the form in which such unutilised monies have been invested.

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

6. We shall utilize the Issue proceeds only after (i) receipt of minimum subscription, i.e., 75% of the Base Issue pertaining to each Tranche Issue; (ii) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (iii) creation of security; and (iv) obtaining listing and trading approval as stated in this Draft Shelf Prospectus in the section titled "*Issue Structure*" on page 196 of this Draft Shelf Prospectus.

Benefit or Interest accruing to Promoters or Directors out of the objects of the Issue

There is no benefit or interest accruing to the Promoters or Directors from the Objects of the Issue.

STATEMENT OF TAX BENEFITS

March 31, 2021

To,

The Board of Directors
Indiabulls Commercial Credit Limited
M-62 & 63, First Floor
Connaught Place
New Delhi - 110 001
Delhi, India

Dear Sirs,

Sub: Statement of possible tax benefits available to the debenture holders of Indiabulls Commercial Credit Limited ("the Company") in connection with the proposed public issue of secured, redeemable, non-convertible debentures ("NCDs" or "Debentures") of up to Rs. 1,000 Crore (the "Issue") pursuant to the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended ("SEBI Regulations").

1. We confirm that the enclosed Annexure prepared by Indiabulls Commercial Credit Limited ("the Company") provides the possible tax benefits available to the debenture holders of the Company under the Income-tax Act, 1961 ("the Act") as amended by the Finance Act, 2021, i.e. applicable for the Financial Year 2020-21 relevant to the assessment year 2021-22 and for the Financial Year 2021-22 relevant to the assessment year 2022-23 respectively, presently in force in India. Several of these benefits are dependent on the Company or its debenture holders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its debenture holders to derive the tax benefits is dependent upon their fulfilling such conditions which, based on business imperatives the Company faces in the future, the Company or its debenture holders may or may not choose to fulfil.

2. The benefits discussed in the enclosed statement are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this Statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue.

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

i) the Company or its debenture holders will continue to obtain these benefits in future;
ii) the conditions prescribed for availing the benefits have been / would be met with; and
iii) the revenue authorities/courts will concur with the views expressed herein.

4. The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.

5. This report has been issued at the request of the Company for the purpose of inclusion in the offer document in connection with its proposed Issue and should not be used by anyone else or for any other purpose.

For A Sardana & Co.
Chartered Accountants
Firm Registration No. 021890N
ICAI Peer review certificate No.: 011270

Bhupinder Nath Mukhi

Partner
Membership No. 013794
New Delhi, India
March 31, 2021
UDIN: 21013794AAAAAC8018

Encl: Annexure

CC:

Edelweiss Financial Services Limited
Edelweiss House, Off. C.S.T Road,
Kalina, Mumbai 400 098,
Maharashtra, India

Annexure A

STATEMENT OF POSSIBLE TAX BENEFITS UNDER THE INCOME TAX ACT, 1961 ("IT ACT") AVAILABLE TO THE DEBENTURE HOLDERS UNDER THE APPLICABLE INCOME-TAX LAWS IN INDIA

The information provided below sets out the possible tax benefits available to the Debenture Holders of the Company under the Act presently in force in India. The Annexure is based on the provisions of the IT Act, as on date, taking into account the amendments made by the Finance Act, 2021 (FA 2021) read along with the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 (Relaxation Act).

This Annexure intends to provide general information on the applicable provisions of the IT Act. It is not exhaustive or comprehensive and is not intended to be a substitute for professional advice. Several of these benefits are dependent on the Company or its Debenture Holders fulfilling the conditions prescribed under the relevant provisions of the Income-tax Act, 1961. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Issue, particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail. Neither are we suggesting nor advising the investor to invest money based on this Statement.

You should consult your own tax advisors concerning the Indian tax implications and consequences of purchasing, owning and disposing of the Debentures in your particular situation.

Taxability under the IT Act

1. Taxability under various heads of Income

The returns received by the investors from NCDS in the form of interest and the gains on the sale/ transfer of the NCD, may be characterized under the following broad heads of income for the purposes of taxation under the IT Act:
• Profits and gains from business;
• Income from capital gains; and
• Income from other sources.

The returns from the investment in the form of interest would generally be subject to tax under the head "income from other sources". Under certain circumstances depending upon the facts and circumstances of the taxpayer, the interest income may be subject to tax under the head "Profits and gains from business".

The gains from the sale of the instrument or security may be characterized either as "Profits and gains from business" or as "Capital Gains".

This is discussed in the following paragraph.

"Profit and gains from business" versus "Capital gains"

Gains from the transfer of securities/instruments of the investee companies may be characterized as "Capital Gains" or as "Profits and gains from business" in the hands of an investor, depending upon whether the investments in the NCD are held as 'investments' or as 'stock in trade'. This can vary based on the facts of each investor's case (taking into account factors such as the magnitude of purchases and sales, ratio between purchases and sales, the period of holding, whether the intention to earn a profit from sale or to earn interest etc.).

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

2. Taxation of interest, profits from business and capital gains

Taxation of Interest

Income by way of interest received on debentures, bonds, and other debt instruments held as investments will be charged to tax as under the head "Income from Other Sources" at the rates applicable to the investor after deduction of expenses, if any, allowable under section 57 of the IT Act. These are essentially expenses (not being in the nature of capital expenditure) laid out or expended wholly and exclusively for the purpose of earning the interest income.

In case of debentures, bonds or other debt instruments held as stock in trade and sold before their maturity, the interest accrued thereon till the date of sale and included in the sale price, may also be charged to tax as "business income" (treatment separately discussed below).

Further, in case of certain specific fixed income securities and certain debt instruments, purchased and held as investments and transferred prior to maturity, the gain from the transfer may also possibly be characterized as "capital gains" (treatment separately discussed below).

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

Taxation of Profits and gains from business

As discussed above, depending on the particular facts of each case, the investments may, in certain cases, be regarded to be in the nature of stock in trade and, hence, the gains from the transfer/ sale of such investments would be considered to be in the nature of "Profits and gains from business".

In such a scenario, the gains from the business of investing in the NCD may be chargeable to tax on a 'net' basis (that is, net of allowable deductions for expenses/allowances under Chapter IV –Part D of the IT Act).The "Profits and gains from business" so computed, as reduced on account of set-off of losses in accordance with Chapter VI of the IT Act and unabsorbed allowances, if any, would go to form part of the gross total income of the investor.

The gross total income would be reduced by deductions, if any, available under Chapter VI-A of the IT Act and the resultant total income would be subject to tax at the tax rates as applicable to the investor (Refer Note 1 and Note 2).

Based on section 145 of the IT Act, the timing of charging any income to tax would depend on the method of accounting followed by the taxpayer consistently (i.e., cash or mercantile).

Investors should obtain specific advice from their tax advisors regarding the manner of computing business income, the deductions available therefrom and the tax to be paid thereon.

Taxation of Capital Gains

As discussed above, based on the particular facts of each case, the investments may, in certain cases, be regarded to be in the nature of capital assets and hence the gains from the transfer/ sale of such investments would be considered to be in the nature of "capital gains".

As per section 2(14) of the IT Act, the term 'capital asset' had been defined to inter alia mean any securities held by a foreign institutional investor which has invested in such securities in accordance with the regulations made under Securities and Exchange Board of India Act, 1992.

Period of holding –long-term &short-term capital assets.

A security (other than a unit) listed on a recognized stock exchange in India or zero-coupon bond (as defined) held for a period of more than 12 months is considered long-term capital asset.

In case of share of an unlisted company and immoveable property, it will be considered as a long-term capital asset where it is held for a period of more than 24 months. Any assets (other than as described above), are considered long-term capital assets where they are held for a period of more than 36 months.

The above assets, where held for a period of not more than 12 months/ 24 months/ 36 months, as the case may be, will be treated as short-term capital assets.

The gains arising from the transfer of long-term capital assets are termed as long-term capital gains.

The gains arising from the transfer of short-term capital assets are termed as short-term capital gains.

Computation of capital gains

Capital gains are computed after reducing from the consideration received from the transfer of the capital asset, the cost of acquisition of such asset and the expenses incurred wholly and exclusively in connection with the transfer.

Nature of transactions and resultant capital gain treatment

The capital gains tax treatment of transactions is given in Note 4.

The following transactions would attract the "regular" capital gains tax provisions:

- Transactions of sale of debentures, bonds, listed or otherwise; and
- Transactions in structured debentures.

Set off of capital losses.

Long-term capital loss of a year can be set off only against long-term capital gains arising in that year and cannot be set off against short-term capital gains arising in that year. On the other hand, short-term capital loss in a year can be set off against both short-term and long-term capital gains of the same year.

Unabsorbed short-term and long-term capital loss of prior years can be separately carried forward for not more than eight assessment years immediately succeeding the assessment year for which the first loss was computed. Unabsorbed short-term capital loss shall be eligible for set off against short-term capital gains as well as long-term capital gains. However, unabsorbed long-term capital loss shall be eligible to be set off only against long-term capital gains.

Certain deductions available under Chapter VI-A of the IT Act

Individuals and Hindu Undivided Families would be allowed a deduction in computing total income, inter alia, under section 80C of the IT Act for an amount not exceeding INR 150,000 with respect to sums paid or deposited in the previous year in certain specified schemes.

However, where the individual or HUF exercises the option to be assessed to tax as per provisions of section 115BAC of the IT Act introduced by the FA 2020, such individual or HUF shall not be entitled to deduction specified, inter alia, under section 80C of the IT Act.

Further, the option to be assessed to tax in accordance with the provisions of section 115BAC of the IT Act once exercised by an individual or HUF carrying on business or profession for any previous year can be withdrawn only once for a previous year other than the year in which it was exercised and thereafter, such individual or HUF shall never be eligible to exercise the option to be assessed in accordance with the provisions of section 115BAC of the Act except where such individual or HUF ceases to have any income from business or profession, in which case, the option to be assessed to tax as per the provisions of section 115BAC of the IT Act shall be available.

Alternate Minimum Tax ("AMT")

The IT Act provides for the levy of AMT to tax investors (other than companies) at the rate of 18.5 per cent (plus applicable surcharge and health and education cess) on the adjusted total income. In a situation where the income-tax computed as per the normal provisions of the IT Act is less than the AMT on "adjusted total income", the investor shall be liable to pay tax as per AMT. "Adjusted total income" for this purpose is the total income before giving effect to the deductions claimed under section C of chapter VI-A (other than section 80P) and deduction claimed, if any, under section 10AA and deduction claimed, if any, under section 35AD as reduced by the amount of depreciation allowable in accordance with the provisions of section 32 as if no deduction under section 35AD was allowed in respect of the assets on which the deduction under that section is claimed. AMT will not apply to an Individual, HUF, AOP, BOI or an Artificial Juridical Person if the adjusted total income of such person does not exceed INR 20 lakhs. As per sub-section (5) to section 115JCof the IT Act, inserted by FA 2020, the provisions of AMT shall not be applicable in case of, inter alia, an individual or HUF who has exercised the option to be taxed as per the provisions of section 115BAC of the IT Act. Further, the credit of AMT can be further carried forward to fifteen subsequent years and set off in the year(s) where regular income tax exceeds the AMT.

The provisions of AMT also provide that the Foreign Tax Credit (FTC) claimed against AMT liability which exceeds the FTC that would have been allowable while computing income under normal provisions, would be ignored while computing tax credit under AMT.

Minimum Alternative Tax ("MAT")

The IT Act provides that where the tax liability of a company (under the regular provisions of the IT Act) is less than 15 per cent of its 'book profit', then the book profit is deemed to be its total income and tax at the rate of 15 per cent (plus applicable surcharge and health and education cess –Refer Note 2) is the MAT payable by the company.

Tax credit is allowed to be carried forward for fifteen years immediately succeeding the assessment year in which tax credit becomes allowable. The tax credit can be set-off in a year when the tax is payable on the total income is in accordance with the regular provisions of the IT Act and not under MAT.

The CBDT vide its Circular no. 29 of 2019 dated 2 October 2019 has clarified that MAT credit is not available to a domestic company exercising option under section 115BAA of the IT Act. The circular further clarifies that there is no time limit within which the option under section 115BAA of the IT Act can be exercised and accordingly, a domestic company having accumulated MAT credit may, if it so desires, exercise the option of section 115BAA of the IT Act at a future date, after utilizing the MAT credit against tax payable as per the regime existing prior to the Taxation Laws (Amendment) Act, 2019.

As per the provisions of section 115JB of the IT Act, the amount of income accruing or arising to a foreign company from capital gains arising on transactions in securities or interest, royalty, or fees for technical services chargeable to tax at the rates specified in Chapter XII of the IT Act, shall be excluded from the purview of MAT, if such income is credited to the Profit and Loss Account and the tax payable on such income under the normal provisions is less than the MAT rate of 15 per cent. Consequently, corresponding expenses shall also be excluded while computing MAT.

Further, Explanation 4 to section 115JB of the IT Act clarifies that provisions of MAT will not apply to a foreign company if:

(a) It is a resident of a country with which India has a DTAA and the company does not have a permanent establishment in India in accordance with the provisions of such DTAA; or

(b) it is a resident of a country with which India does not have a DTAA and the foreign company is not required to register under any law applicable to companies.

Further, it is provided that the FTC claimed against MAT liability which exceeds the FTC that would have been allowable while computing income under normal provisions, would be ignored while computing tax credit under MAT.

Also, sub-section 5A to section 115JB, provides that the provisions of section 115JB shall not apply to a person who has exercised the option referred under section 115BAA or section 115BAB of the IT Act.

Taxability of non-resident investors under the tax treaty

In case of non-resident investor who is a resident of a country with which India has signed a Double Taxation Avoidance Agreement ("DTAA" or "tax treaty") (which is in force) income-tax is payable at the rates provided in the IT Act, as discussed below, or the rates provided in such tax treaty, if any, whichever is more beneficial to such non-resident investor.

For non-residents claiming such tax treaty benefits, the IT Act mandates the obtaining of a Tax Residency Certificate ("TRC") from the home country tax authority.

Section 90(5) of the IT Act provides that an assessee to whom a DTAA applies shall provide such other documents and information, as may be prescribed. Further, a notification substituting Rule 21AB of the Income-tax Rules, 1962 ("Rules") has been issued prescribing the format of information to be provided under section 90(5) of the IT Act, i.e., in Form No 10F. Where the required information[1] is not explicitly mentioned in the TRC, the assessee shall be required to furnish a self-declaration in Form No 10F and keep and maintain such documents as are necessary to substantiate the information mentioned in Form 10F.

Widening of taxability of Capital Gains

In the context of taxation of capital gains, the definitions of "capital asset" and "transfer" are widened with retro-effect from 1 April 1961 specifically with a view to tax, in the hands of non-residents, gains from direct or indirect transfer of assets situated in India.

General Anti Avoidance Rules ("GAAR")

The General Anti Avoidance Rules (''GAAR'') were introduced in the IT Act by the Finance Act, 2012. The Finance Act, 2015 made the provisions of GAAR applicable prospectively from 1 April 2017. Further, income accruing, arising, deemed to accrue or arise or received or deemed to be received by any person from transfer of investments made up to 31 March 2017 would be protected from the applicability of GAAR.

Withholding provisions

The withholding provisions provided under the Act are machinery provisions meant for tentative deduction of income-tax subject to regular assessment. The withholding tax is not the final liability to income-tax of an assessee. For rate of tax applicable to an assessee, please refer Notes 1 and 2 below.

S. No.	Scenario	Provisions

[1] Status (individual, company, firm etc.) of the taxpayer
-Nationality (in case of an individual) or country or specified territory of incorporation or registration (in case of others);
-Taxpayer's tax identification number in the country or specified territory of residence (In case there is no such number, then, a unique number on the basis of which the person is identified by the Government of the country or the specified territory of which the taxpayer claims to be a resident);
-Period for which the residential status, as mentioned in the certificate of residence is applicable; and
-Address of the taxpayer in the country or specified territory outside India, during the period for which the certificate is applicable

1	Withholding tax rate on interest on NCD issued to Indian residents	• Interest paid to residents other than insurance companies will be subject to withholding tax as per section 193 of the IT Act at the rate of 10 per cent[2]. • No tax is required to be deducted on interest paid to an individual of a HUF, in respect of debentures issued by a company in which the public is substantially interested if; - the amount of interest paid to such person in a financial year does not exceed INR 5,000; and - such interest is paid by an account payee cheque • Further, no tax is required to be deducted on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the rules made thereunder.
2	Withholding tax rate on interest on NCD issued to Foreign Portfolio Investors (FPI)	• Interest on NCD issued to FPI may be eligible for concessional withholding tax rate of 5 per cent under section 194LD of the IT Act. • If section 194LD of the IT Act is not applicable, then tax deduction should be made as per sections 196D read with section 115AD of the IT Act i.e., at 20 per cent. • If both sections i.e. 194LC and 194LD of the IT Act are not applicable, then tax deduction should be made as per sections 196D read with section 115AD of the IT Act i.e. at 20 per cent subject to relief under the relevant DTAA, if any. • Withholding rate will be increased by surcharge as applicable (Refer Note 2) and a health and education cess of 4 per cent on the amount of tax plus surcharge as applicable.
3	Withholding tax rate on interest on NCD issued to non-residents other than FPIs	• Interest payable to non-resident (other than FPI) would be subject to withholding tax at the rate of 30 per cent/40 per cent as per the provisions of section 195 of the IT Act subject to relief under the relevant DTAA depending upon the status of the non-resident. Alternatively, benefits of concessional rates of 5 per cent under section 194LC of the IT Act could be availed provided specific approval is obtained from the Central Government with respect to the rate of interest. • Withholding rate will be increased by surcharge as applicable (Refer Note 2) and a health and education cess of 4 per cent on the amount of tax plus surcharge, as applicable.
	Withholding tax rate on purchase of 'goods'	• As per section 194Q of the IT Act, inserted by FA, 2021, any sum payable by a 'buyer' to a resident for purchase of 'goods' of the value exceeding INR 50 Lakhs shall be liable to withholding at the rate of 0.1 percent. • Buyer means a person whose total sales, turnover or gross receipts from the business carried on by him exceeds INR 10 crores in the financial year immediately preceeding the financial year in which the purchase is carried out.

[2] As per section 197B of the IT Act introduced vide the Relaxation Act, the rate of TDS has been reduced from 10% to 7.5% for the period 14 May 2020 to 31 March 2021.

		• TDS shall not be applicable where; a) Tax is deductible under any of the provisions of the IT Act; or b) Tax is collectible under the provisions of section 206C of the IT Act other than a transaction to which section 206C(1H) of the IT Act applies • Given that the term 'goods' has not been defined under the section 194Q of the Act and there exists lack of clarity on whether the term 'goods' would include 'securities', it is advisable that the investors obtain specific advice from their tax advisors regarding the same.

Notes:
Note 1: Tax rates Resident Individuals and Hindu Undivided Families

The individuals and HUFs are taxed in respect of their total income at the following rates:

Income tax slab	**Income tax rate***
Total income up to Rs 250,000#	Nil
More than Rs 250,000# but up to Rs 500,000**	5 per cent of excess over Rs 250,000
More than Rs 500,000 but up to Rs 1,000,000	20 per cent of excess over Rs 500,000 plus Rs 12,500 ##
Exceeding Rs 1,000,000	30 per cent of excess over Rs 1,000,000 plus Rs 112,500##

* Plus surcharge if applicable –Refer Note 2 and a health and education cess of 4 per cent on the amount of tax plus surcharge (if applicable)

**A resident individual (whose total income does not exceed Rs 500,000) can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income-tax chargeable on his total income or Rs 12,500, whichever is less."

for resident senior citizens of sixty years of age and above but below eighty years of age, ₹ 250,000 has to be read as ₹ 300,000 and for resident senior citizens of eighty years of age and above ("super senior citizen) Rs 250,000' has to be read as Rs 500,000.

Similarly, for resident senior citizens of sixty years of age and above but below eighty years of age, ₹ 12,500 has to be read as Rs 10,000 and ₹ 112,500 has to be read as ₹ 110,000. And for super senior citizen Rs 12,500 has to be read as Nil and ₹ 112,500 has to be read as ₹ 100,000.

Alternatively, where an individual or a HUF exercises the option to be assessed to tax under the provisions of section 115BAC of the IT Act inserted by FA 2020, the following shall be the rate of tax applicable:

Income tax slab	**Income tax rate***
Total income up to Rs 250,000	Nil
More than Rs 250,000 but up to Rs 500,000**	5 per cent of excess over Rs 250,000
More than Rs 500,000 but up to Rs 750,000	10 per cent of excess over Rs 500,000 plus Rs 12,500
More than Rs 750,000 but up to Rs 1,000,000	15 per cent of excess over Rs 750,000 plus Rs 37,500
More than Rs 1,000,000 but up to Rs 1,250,000	20 per cent of excess over Rs 1,000,000 plus Rs 75,000
More than Rs 1,250,000 but up to Rs 1,500,000	25 per cent of excess over Rs 1,250,000 plus Rs 1,25,000
More than Rs 1,500,000	30 per cent of excess over Rs 1,500,000 plus Rs 1,87,500

* plus surcharge if applicable –Refer Note 2 and a health and education cess of 4 per cent on the amount of tax plus surcharge, if applicable).

**A resident individual (whose total income does not exceed Rs 500,000) can avail rebate under section 87A. It is deductible from income tax before calculating health and education cess. The amount of rebate available would be 100 per cent of income-tax chargeable on his total income or Rs 12,500, whichever is less."

Partnership Firms & LLPs

The tax rates applicable would be 30 per cent (plus surcharge if applicable –Refer Note 2 and a health and education cess of 4 per cent on the amount of tax plus surcharge, if applicable).

Domestic Companies

Type of Domestic company	Base normal tax rate on income (other than income chargeable at special rates)	Base MAT rate
Domestic companies having turnover or gross receipts of less than Rs 400 Cr in FY 2018-19	25 per cent	15 per cent
Domestic manufacturing company set-up and registered on or after 1 March 2016 subject to fulfilment of prescribed conditions (Section 115BA)	25 per cent	15 per cent
Any domestic company (even if an existing company or engaged in non-manufacturing business) has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAA)	22 per cent	Not applicable
Domestic manufacturing company set-up and registered on or after 1 October 2019 and commences manufacturing upto 31 March 2023, has an option to avail beneficial rate, subject to fulfilment of prescribed conditions (Section 115BAB)	15 per cent	Not applicable
Domestic companies not falling under any of the above category	30 per cent	15 per cent

Note 2: Surcharge (as applicable to the tax charged on income)

Non-corporate assesses other than firms and co-operative societies (other than FPIs)

Particulars	Rate of surcharge
Where total income (including dividend income and income under the provisions of section 111A and section 112A of the IT Act) does not exceed Rs 50 lakhs	Nil
Where total income (including dividend income and income under the provisions of section 111A and section 112A of the IT Act) exceeds Rs 50 lakhs but does not exceed Rs 1 Crore	10 per cent on total tax
Where total income (including dividend income and income under the provisions of section 111A and section 112A of the IT Act) exceeds Rs 1 Crore but does not exceed Rs 2 Crore	15 per cent on total tax
Where total income (excluding dividend income and income under the provisions of section 111A and section 112A of the Act) does not exceed Rs 2 Crore but total income (including dividend income and income under the provisions of section 111A and section 112A of the Act) exceeds Rs 2 Crore	15 per cent on total tax
Where total income (excluding dividend income and income under the provisions of section 111A and section 112A of the IT Act) exceeds Rs 2 Crore but does not exceed Rs 5 Crore	- 25 per cent on tax on income excluding dividend income and income under the provisions of section 111A and section 112A of the IT Act - 15 per cent on tax on dividend income and income under the provisions of section 111A and section 112A of the IT Act
Where total income (excluding dividend income and income under the provisions of section 111A and section 112A of the IT Act) exceeds Rs 5 Crore	- 37 per cent on tax on income excluding dividend income and income under the provisions of section 111A and section 112A of the IT Act

	- 15 per cent on tax on dividend income and income under the provisions of section 111A and section 112A of the IT Act

FPIs (Non corporate)

Particulars	Rate of surcharge
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) does not exceed Rs 50 lacs	Nil
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 50 lakhs but does not exceed Rs 1 Crore	10 per cent on total tax
Where total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 1 Crore but does not exceed Rs 2 Crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the Act) does not exceed Rs 2 Crore but total income (including dividend income or income of the nature referred to in section 115AD(1)(b) of the Act) exceeds Rs 2 Crore	15 per cent on total tax
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 2 Crore but does not exceed Rs 5 Crore	- 25 per cent on tax on income excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act - 15 per cent on tax on dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act
Where total income (excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act) exceeds Rs 5 Crore	- 37 per cent on tax on income excluding dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act - 15 per cent on tax on dividend income or income of the nature referred to in section 115AD(1)(b) of the IT Act

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For assessees other than those covered above

Assessee	Rate of surcharge applicable
Non-corporate taxpayers being firms and co-operative societies	- Nil where taxable income does not exceed Rs 1 Crore - 12 per cent where income exceeds Rs 1 Crore

Domestic companies (other than companies availing benefit under section 115BAA and section 115BAB of the IT Act)	- Nil where taxable income does not exceed Rs 1 Crore - 7 per cent where taxable income does not exceed Rs 1 Crore but does not exceed Rs 10 Crore - 12 per cent where taxable income exceeds Rs 10 Crore
Domestic companies availing benefit under section 115BAA and section 115BAB of the IT Act	10 per cent (irrespective of taxable income)
Foreign Companies (including corporate FPIs)	- Nil where taxable income does not exceed is equal to or less than Rs 1 Crore - 2 per cent where taxable income exceeds Rs 1 Crore but does not exceed Rs 10 Crore - 5 per cent where taxable income exceeds Rs 10 Crore

A health and education cess of 4 per cent is payable on the total amount of tax plus surcharge.

Note 3: Taxability of interest income

For all Residents (including Indian Corporates)

In case of residents, where interest income is taxable as 'income from other sources' or 'income from business or profession' should be chargeable to tax as per the rates given in Note 1 and Note 2 above.

For Non-residents (other than Foreign Portfolio Investors (FPIs) FPI entities)

In case of non-residents, under the IT Act, the interest income should be chargeable to tax at the rate of 30/ 40 per cent depending on the status of the non-resident (plus applicable surcharge and health and education cess).

However, the above is subject to any relief available under DTAA and any Covered Tax Agreement (CTA) entered into by the Government of India.

For FPI entities

In case of FPI, interest on NCD may be eligible for concessional tax rate of 5 per cent (plus applicable surcharge and health and education cess) under section 194LD of the IT Act. Further, in case where section 194LD is not applicable, the interest income earned by FPI should be chargeable tax at the rate of 20 per cent under section 115AD of the IT Act.

However, the above is subject to any relief available under DTAA and any CTA entered into by the Government of India.

Note 4: Regular capital gains tax rates

1.Tax on Long-term Gains

1.1 For all Residents (including Indian Corporates)

Long-term Capital Gains (other than long-term capital gains chargeable under section 112A of the IT Act) will be chargeable to tax under Section 112 of the IT Act, at a rate of 20 per cent (plus applicable surcharge and health and education cess respectively –Refer Note 2) with indexation.

Alternatively, the tax rate may be reduced to 10 per cent without indexation (plus applicable surcharge and health and education cess–Refer Note 2) in respect of listed securities (other than a unit) or zero-coupon bonds (as defined).

However, as per the fourth proviso to section 48 of the IT Act, benefit of indexation of cost of acquisition under second proviso to section 48 of the IT Act, is not available in case of bonds, debentures, except capital indexed bonds. Accordingly, long term capital gains on listed bonds arising to the bond holders, should be subject to tax at the rate of 10 per cent, computed without indexation, as the benefit of indexation of cost of acquisition is not available in the case of debentures.

1.2 For Resident Individuals and HUFs only

Where the taxable income as reduced by long-term capital gains is below the exemption limit, the long-term capital gains will be reduced to the extent of the shortfall and only the balance long-term capital gains will be charged at a rate of 20 per cent with indexation (plus applicable surcharge and health and education cess –Refer Note 2).

Alternatively, the tax rate may be reduced to 10 per cent without indexation (plus applicable surcharge and health and education cess –Refer Note 2) in respect of listed securities (other than a unit) or zero-coupon bonds as defined.

However, as per the fourth proviso to section 48 of the IT Act, benefit of indexation of cost of acquisition under second proviso to section 48 of the IT Act, is not available in case of bonds, debentures, except capital indexed bonds. Accordingly, long term capital gains arising to the bond holders, should be subject to tax at the rate of 10 per cent, computed without indexation, as the benefit of indexation of cost of acquisition is not available in the case of debentures.

1.3 For Non-Resident Individuals

Long-term capital gains (other than long-term capital gains chargeable under section 112A of the IT Act) in case of listed securities will be chargeable under Section 112 of the IT Act at a rate of 20 per cent (plus applicable surcharge and health and education cess –Refer Note 2) with applicable foreign exchange fluctuation benefit or indexation, as the case may be. The tax payable (for other than a listed unit) could alternatively be determined at 10 per cent (plus applicable surcharge and health and education cess–Refer Note 2) without indexation.

However, as per the fourth proviso to section 48 of the IT Act, benefit of indexation of cost of acquisition under second proviso to section 48 of the IT Act, is not available in case of bonds, debentures, except capital indexed bonds. Accordingly, long term capital gains arising to the bond holders, should be subject to tax at the rate of 10 per cent, computed without indexation, as the benefit of indexation of cost of acquisition is not available in the case of debentures.

The above-mentioned rates would be subject to applicable treaty relief.

1.4 For FPI entities

As per section 115AD of the IT Act, long term capital gains on transfer of NCD by FPI are taxable at 10 per cent (plus applicable surcharge and cess). The above-mentioned rates would be subject to applicable treaty relief.

2.Tax on Short-term Capital Gains

Short-term capital gains are chargeable to tax as per the applicable general tax rates (discussed in Note 1 and Note 2 above).

In case of FPI, as per section 115AD of the IT Act, short term capital gains on transfer or sale of NCDs are taxable at the rate of 30 per cent (plus applicable surcharge and health and education cess –Refer Note 2).

Note 5: Relevant definitions under the IT Act

a) “Securities” shall have the same meaning as assigned in section 2(h) of the Securities and Contracts (Regulation) Act, 1956, which, inter alia, includes:

- shares, scrips, stocks, bonds, debentures, debenture stock or other marketable securities of a like nature in or of any incorporated company or other body corporate;
- derivative;
- units or any other such instrument issued to the investors under any mutual fund scheme; and
- rights or interest in securities;

For the purpose of section 112 of the IT Act:

- “Listed securities” means the securities which are listed on any recognized stock exchange in India.
- “Unlisted securities” means securities other than listed securities.

b) “Zero coupon bond” means a bond-

- issued by any infrastructure capital company or infrastructure capital fund or public sector company [or scheduled bank] on or after 1 June 2005;
- in respect of which no payment and benefit is received or receivable before maturity or redemption from infrastructure capital company or infrastructure capital fund or public sector company [or scheduled bank]; and
- which the Central Government may, by notification in the Official Gazette, specify in this behalf.

Note 6: Amendments in the withholding tax provisions

Section 139A(5A) requires every person from whose income tax has been deducted under the provisions of chapter XVIIB of the IT Act, to furnish his PAN to the person responsible for deduction of tax at source.

As per provisions of section 206AA of the IT Act, the payer would be obliged to withhold tax at penal rates of TDS in case of payments to investors who have not furnished their PAN to the payer. The penal rate of TDS is 20 per cent or any higher rate of TDS, as may be applicable, plus applicable surcharge and health and education cess.

Section 206AA of the IT Act to provides that the provisions shall not apply to non-residents in respect of payment of interest on long-term bonds as referred to in section 194LC and any other payment subject to such conditions as may be prescribed.

Further, the CBDT, vide its notification dated 24 June 2016, has clarified that the provisions of section 206AA shall not apply to non-residents in respect of payments in the nature of interest, royalty, fees for technical services and payment on transfer of capital assets provided the non-residents provide the following information to the payer of such income:

- Name, email-id, contact number;
- Address in the country or specified territory outside India of which the deductee is a resident;

- A certificate of his being resident in any country or specified territory outside India from the government of the other country or specified territory if the law of that country or specified territory provides for issuance of such certificate;

- Tax Identification Number of the deductee in the country or specified territory of his residence and in a case, no such number is available, then a unique number on the basis of which the deductee is identified by the Government of that country or the specified territory of which he claims to be a resident.

Further, the FA, 2021 has introduced a new section for punitive withholding tax rate for non-filers of return of income.
As per section 206AB of the IT Act, inserted by the FA 2021, with effect from 1 July 2021, payments made to specified persons will be subject to TDS at rate which is higher of the following:

• twice the rate specified in the relevant provision of the Act; or
• twice the rate or rates in force; or
• the rate of 5%

In cases, where both section 206AA and section 206AB are applicable, taxes shall be deducted at higher of the rate prescribed under both the sections.

For the purpose of this section, specified person means any person-

• Who has not filed an income-tax return for two preceding AYs relevant to the previous years immediately prior to the previous year in which the tax is required to be deducted and the prescribed time limit to file the income-tax return has expired;
• The aggregate amount of TDS exceeds INR 50,000 or more in each of these previous years

However, the provisions of this section will not apply on a non-resident who does not have a permanent establishment in India.

Note 7: Other Provisions

No income tax is deductible at source from income by way of capital gains arising to a resident shareholder under the present provisions of the Act. However, as per the provisions of Section 195 of the Act, any income by way of capital gains payable to non-residents may be subject to withholding of tax at the rate under the domestic tax laws or under the applicable Double Taxation Avoidance Agreement (DTAA), whichever is beneficial to the non-resident, unless a lower withholding tax certificate is obtained from the tax authorities.
However, the non-resident investor will have to furnish a certificate of his being a tax resident in a country outside India and a suitable declaration for not having a fixed base/ permanent establishment in India, to get the benefit of the applicable DTAA and such other document as may be prescribed as per the provision of section 90(4) of Act.
Pursuant to amendment in section 206AA of the Act read with Rule 37BC of Rules, requirement of quoting permanent account number (PAN) in case of certain specified income is eliminated by maintaining specified documents as mentioned in the said Rule.

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Note 8: Other Notes

a) 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.
b) The stated benefits will be available only to the sole/ first named holder in case the debentures are held by joint holders.
c) In respect of non-residents, the tax rates and the consequent taxation mentioned above shall be further subject to any benefits available under the applicable DTAA, if any, between India and the country in which the non-resident has fiscal domicile.
d) This Statement does not discuss any tax consequences in the country outside India of an investment in the Debentures. The subscribers of the Debentures in the country other than India are urged to consult their own professional advisers regarding possible income tax consequences that apply to them.
e) The above Statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
f) The above Statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2021-22 and Assessment year 2022-23 i.e. Financial Year 2020-21 and Financial year 2021-22, respectively. Several of these benefits are dependent on the Company or its Debenture Holders fulfilling the conditions prescribed under the relevant tax laws.
g) This statement is intended only 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 tax consequences, each

investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the Debentures of the Company. 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.

h) This Statement does not cover analysis of provisions of Chapter X-A of the Act dealing with General Anti-Avoidance Rules and provisions of Multilateral Instruments.

SECTION IV-ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information under this section has been derived and extracted from the industry report titled "CRISIL Research – NBFC Report 2020 released in Mumbai in December 2020" prepared by CRISIL Limited in an "as is where is basis" and has not been independently verified by us, the Lead Manager, or any of our or their respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources it believes to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry and Government publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry and Government sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information. Figures used in this section are presented as in the original sources and have not been adjusted, restated or rounded-off for presentation in this Draft Shelf Prospectus. The recipient should not construe any of the contents in this report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. The information in this section must be read in conjunction with "*Risk Factors*" and "*Our Business*" on pages 17 and 92, respectively of this Draft Shelf Prospectus.

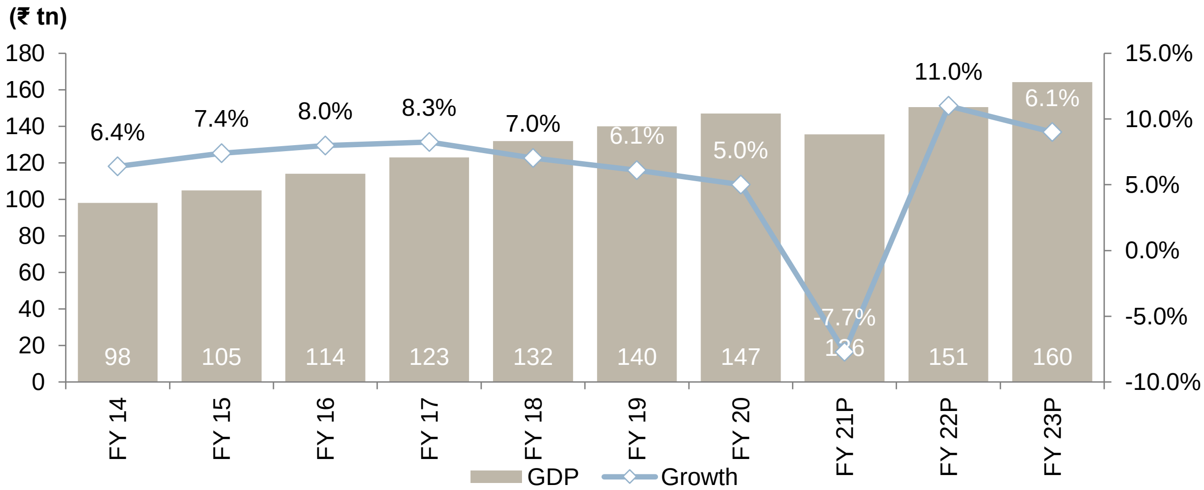
Indian Economy Outlook

The Covid-19 pandemic, which originated in Wuhan, China in December 2019, has shaken the world. And India is no exception. To combat this pandemic, the country went into a phase-wise lockdown in March end.

The pandemic sharply slowed the Indian economy in the first quarter of fiscal 2021, but the huge economic costs that it extracted forced the economy to open up and get back on its feet in the second quarter. India's third quarter GDP growth data print for fiscal 2021 came in at 0.4% on-year -- better than -7.5% in the second quarter and -23.9% in the first quarter. We expect India's real GDP for the current fiscal to contract 7.7%. Also, given the recent growth momentum and budgetary support to growth, we expect the GDP to grow by 11% in fiscal 2022. A weak base, softer interest rates, control over Covid-19 spread, vaccination, and better global growth prospects will fuel growth.

In the past 69 years, India has seen recessions only thrice according to available data: in 1958, 1966 and 1980. The reason was similar each time – a monsoon shock hitting agriculture, then a sizable part of the economy. The recession staring at us today is different. Two factors have been supportive: The agriculture sector which recorded 3.4% growth on-year, and exports. Since imports fell much sharper than exports, net trade was less of a drag on the economy compared to the past.

GDP to contract 7.7% in fiscal 2021



Note: P – Projected
Source: Central Statistics Office, International Monetary Fund (IMF), CRISIL Research

NBFC Outlook

Growth in loan book to remain muted; Retail segment to drive growth in second half of FY21

To mitigate the hardships faced by the borrowers' post COVID outbreak, the RBI announced three months moratorium starting March which was extended for further three months till August 31. Majority of the customers who had opted for moratorium 1 chose to restart their repayments post July 2020 as the economy started opening up and the borrower's cash flow saw an improvement. Also, with the closure of the moratorium window in August 2020 and improved macros in most business segments, lenders saw an increased optimism on collection efficiency across product segments. As on September, the collection efficiency has reached 90-95% for housing and 85-90% for auto segment which form almost 38% part of the total NBFC portfolio. Basis this, CRISIL expects only 6-8% of the NBFC book to get restructured.

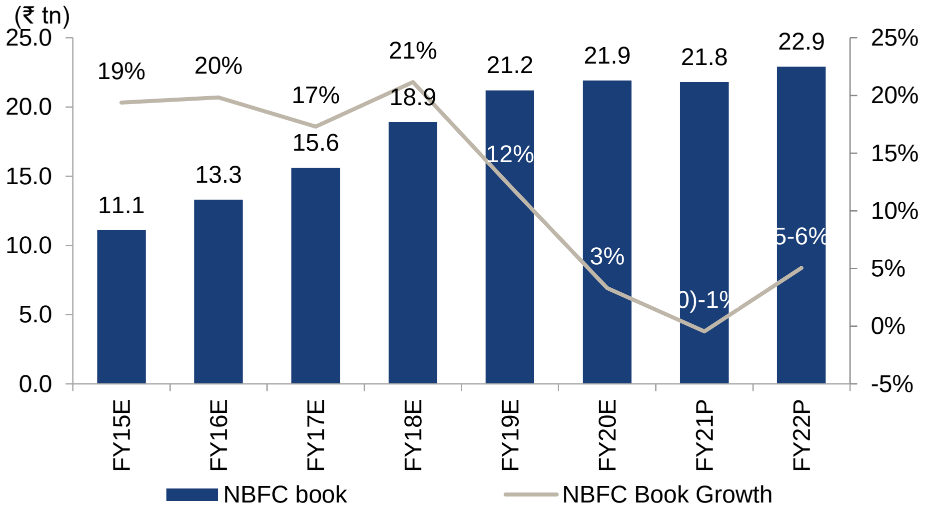
On the growth front, the recovery in the retail portfolio has been faster as compared to the wholesale portfolio. Retail segments such as housing, gold, commercial vehicles, two-wheeler, tractor etc. have experienced continuous improvement in collections. A faster-than-expected revival of activity in the second quarter, which continued into the festive season has resulted in revision of GDP to -7.7% in the month of December from earlier estimate of -9% in September.

Though the NBFCs will benefit through focus on retail segments, they are expected to face stiff competition from banks who have enhanced their focus on retail products and may consume into NBFCs share. This is especially true in the vehicle and housing finance segment, leading to slight decline in share of NBFC portfolio in these segments.

With the improvement in the economic conditions and with the support of the government, NBFCs are gradually recovering from the COVID19 outbreak. However, even though disbursements have been improving sequentially, growth in loan book may fail to keep pace with repayments, leading to flat book growth in fiscal 2021, as compared to 5% growth witnesses in previous fiscal.

Improvement in growth prospects in second half will offset the decline in disbursements seen during the first half translating into a flat book growth of -1-0% (excluding PFC and REC) for fiscal 2021. In fiscal 2022, growth is expected to bounce back with revival in economic growth.

NBFC loan book to grow at a tepid rate in fiscal 2021

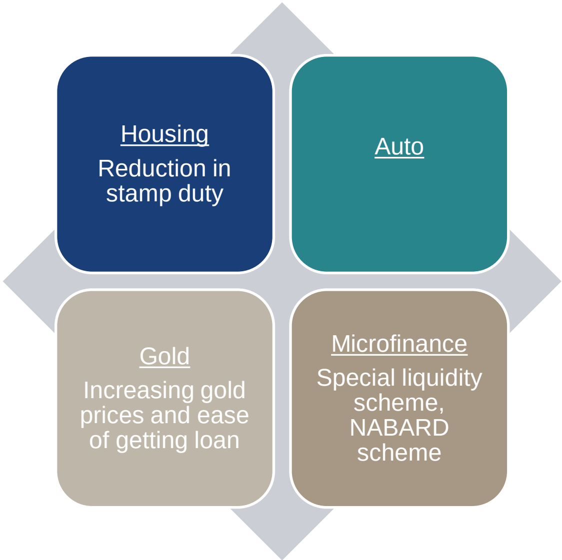


(exc. PFC and REC)

Source: RBI, NHB, Mfin, company report, Crisil Research

Restructuring will release the delinquency pain in near term

High growth sectors such as Housing, Auto, Gold, microfinance had principal driving factors such as:



In addition to a faster pickup, these sectors have also witnessed healthy recovery of loans as seen from their collection efficiencies. In the month of September' 2020, collection efficiencies in housing segment stood at 90-95%, for auto and micro finance, it was 85-90%. For other segments such as MSME, the collection efficiencies were on the lower side i.e., 75-80%. As the moratorium ended in the month of August 2020, the collection efficiency saw improvement of almost 10-15% in the month of September and October compared to previous month.

The NBFC book under moratorium 2 was almost 40-45%. The moratorium has progressively declined for all the segments and the collection efficiencies have improved, due to which CRISIL expect 8-10% of the loan book to get restructured. Of this, excluding the wholesale book which was already under moratorium prior to COVID, the COVID restructuring will be almost 6%.

The restructuring is expected to be higher in segments such as commercial vehicles, real estate loans, construction equipment and SME-LAP loans. Higher restructuring in commercial vehicles is driven by lower demand led by drying up of freight due to lower economic activity and lower freight rates. MSMEs which were already facing stress due to demonitisation, GST implementation and overall macro-economic slowdown, suffered a further setback due to COVID-19.

With the restructuring in place, the GNPAs will be contained especially in segment such as wholesale and MSME which will witness higher restructuring. Some part of the restructured portfolio will slip into fiscal 2022 which will then lead to higher GNPA level for that year.

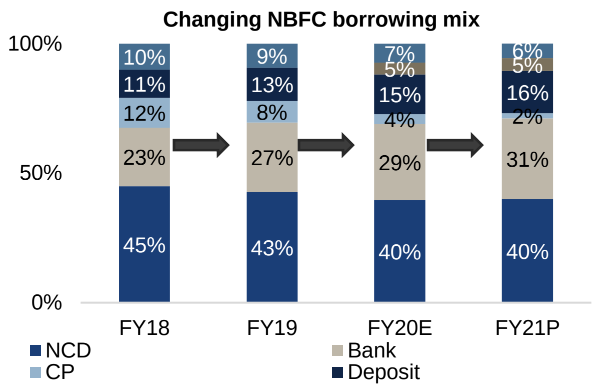
Funds not a concern for majority of the NBFCs

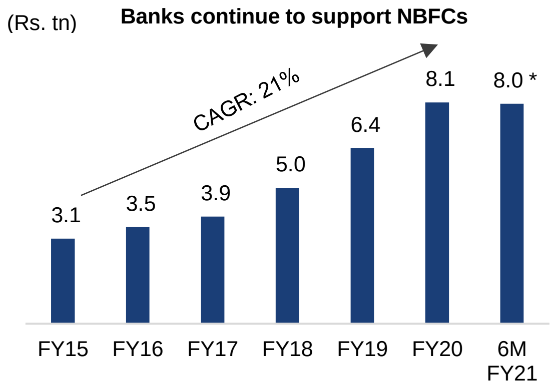
The government has taken various initiatives such as TLTRO, special liquidity schemes, PCG scheme etc to help NBFCs raise money at concessional rates. Till September, funds amounting to ₹ 0.6 trillion has been raised through TLTRO and PCG scheme. This funding has been routed mainly through banking channel.

Of all the sources, bank funding to NBFCs forms the major part and has been constantly increasing mainly due to government support. On the other hand, the mutual funds have turned risk averse towards lending to NBFCs which can be seen from the declining CP proportion along with slight decline in the NCD issuances.

CRISIL Research expects bank funding to continue going forward due to higher liquidity with banks and limited lending opportunities available till growth revives. Going forward, we will see borrowing mix of players shifting more towards bank funding.

Funding from banks to drive overall borrowings

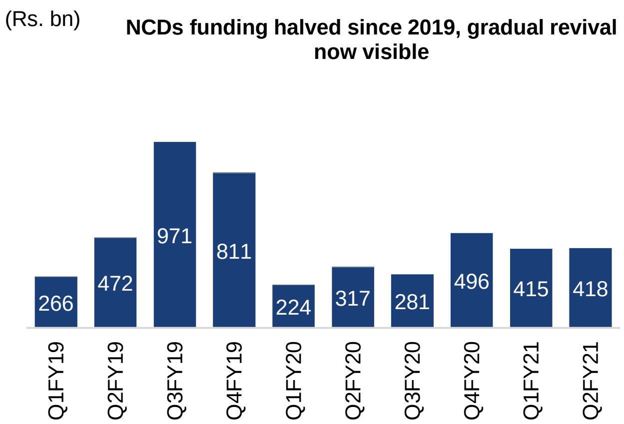




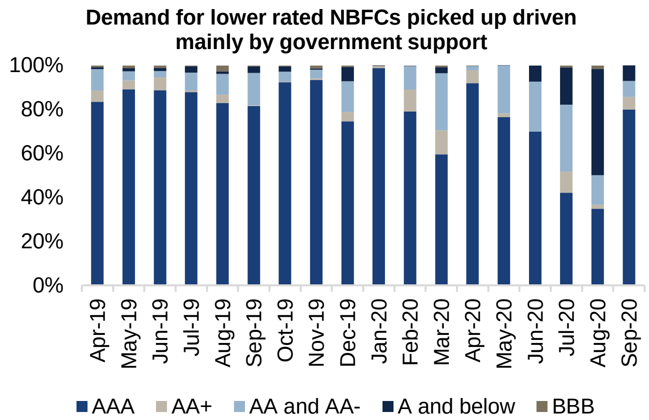
** Does not include amount disbursed through TLTRO and PCG scheme which is almost 0.6 tn as on September 2020.*
Source: RBI, Company reports, CRISIL Research

Increased access to market borrowings through NCDs by small and mid-sized NBFCs

The NCD issuances has seen gradual recovery post fall in fiscal 2019. The NBFC issuances that has picked up has benefited not only large NBFCs, lower rated and smaller and mid-size NBFCs, have also been able to raise funds through various government initiatives. Within this, proportion of funding raised by A and below rated, which was most of the times in the range of 0-5%, has inched up since the outbreak of COVID. Though access to funding has improved, cost of funding for these set of players will remain elevated due to higher risk perception.



Source: F'track, SEBI, CRISIL Research



Source: CRISIL Research

Buoyant support from securitization during fiscal 2019 and 2020, activity to decline sharply in FY21

Securitisation volumes saw a sharp jump in fiscal 2019 and 2020 as lenders became wary of providing balance sheet loans to NBFCs and HFCs. However, Q1 of fiscal 2021 witnessed a severe contraction due to the nationwide lockdown. Banks became uncertain of the pandemic impact on the asset quality of the portfolio. Additionally, the funding requirements of NBFCs and HFCs shrunk due to fall in the disbursements which led to declining securitisation transaction. As the economy has started opening up, an uptick in volumes have been observed in Q2 fiscal 2021 and have been doubled as compared to Q1 fiscal 2021. Though in fiscal 2021, overall volumes are expected to remain lower than the previous fiscal, they will bounce back in fiscal 2022.

Apart from regular segments like mortgage, vehicle and microfinance, segments such as gold, tractor, small business loans have gained traction due to the lower risk associated with these segments.

Also, with the extensive efforts of the NBFCs, coupled with uptick in economic activity, has lifted the collection efficiency of the CRISIL rated securitization pool for the month of October 2020 to their highest levels in fiscal 2021 and also near pre pandemic levels for most of the asset classes.

Improved collection efficiency of the pool

	June	October
Housing and LAP	76%	96%
Vehicle	52%	93%
Two Wheeler	68%	100%
Microfinance	52%	82%
MSME	62%	87%

NBFC borrowing cost to reduce in near terms, spreads eased after sharp spike due to change in risk perception

The excess liquidity in the system has put pressure on the interest rates pushing them lower. The reduction in the repo rate has enabled the NBFCs to borrow at a reduced cost leading to reduction in overall interest rate by 40-50 bps during fiscal 2021.

G-sec rates are expected to show an uptick on account of limited or no incremental growth from tax revenues which will lead to continued borrowings by the centre and states to meet their fiscal budgets. Hence, we expect the borrowing cost in fiscal 22 for NBFCs to inch up by 30-40 bps.

MSME Finance

Pick-up in economic activity with favourable government measures to support MSMEs

A faster-than-expected revival in the economic activity in the June-September, which continues in the festive season has instilled a slight positive economic outlook, leading to revision in our Indian GDP outlook from -9% to -7.7% for fiscal 2021. GDP contracted 7.5% on-year in the second quarter as against contraction of 23.9% in the first quarter. Following factors engineered the recovery:

- Pent-up demand, as restrictions reduced and economy was gradually unlocked
- Flattening of national Covid-19 cases curve with daily cases of over 95,000 in early September to below 40,000 preventing intermittent lockdowns
- Better performance of exports in select sectors such as pharmaceuticals, engineering goods, iron and steels and textiles
- Improved rural income given good monsoon.

With the pick-up in economic activity, MSMEs have started with their businesses, leading to increasing collection efficiencies month on month. Also, MSMEs are supported by government's stimulus package – particularly the Rs 3 lakh crore ECLGS - whose validity has been extended till March 31, 2021.

Increasing collection efficiency to restrict restructuring to 6-8% of the non-banks MSME portfolio

Non-banks MSME collection efficiency which at was ~40% level in the month of April 2020 increased to 55-65% in the month of August 2020. As economic activity has been gathering steam in recent months and as business cashflows has been improving, borrowers have started paying their loan instalments. Few of the players which form about ~30% of the market share reported sharp improvement in collection efficiency to ~90% in the month of September itself. CRISIL rated SME pools witnessed a collection efficiency of ~94% in the month of October 2020 vs 38% in the month of July 2020.

Therefore, for quarter three of fiscal 2021, collection efficiency is expected to be in the range of 85-90% thus leading to lower estimates of one time restructuring portfolio. CRISIL Research now expects one-time restructuring to be in the region of 6-8% for the non-banks MSME borrowers.

Overall MSME credit growth to be driven by banks

CRISIL Research expects overall MSME credit (including banks and non-banks) to grow at 6-8% in fiscal 2021 majorly driven by banks. Banks have recorded a YTD October growth rate of 3% and are expected to clock incremental growth rate of 5-7% in remaining part of the fiscal 2021, resulting in total growth rate of 8-10% for banks for fiscal 2021.

Loan against property (LAP)

Post Covid-19, non-banks are preferring mortgage-based lending over cash-flow-based lending in the short-run given the potential risks in the unsecured segment. For first half of fiscal 2021, non-banks are expected to have grown at -1 to -2% on-year. Focused on lending to their existing customers, non-banks are expected to increase their disbursements in the second-half. However, increased repayment post moratorium, poor demand and declining property prices will keep a check on the loan book growth.

CRISIL Research believes that the Non-Banks' LAP loan book to increase by 0-1% in fiscal 2021 against our earlier call of -2 to -3%. Though the growth is expected to pick up in fiscal 2022, it will still be ~4-5% as players are likely to be risk averse in this segment. We expect total Non-Banks' aggregate LAP market to reach ~Rs 2.5 trillion by fiscal 2022 from ~Rs 2.4 trillion as of fiscal 2020.

NIMs are expected to increase in fiscal 2021 on account of declining interest rates which will not be passed on completely to the borrowers in the wake of increasing asset quality concerns. Players (especially larger ones) restructuring their books will front load provisions along with additional statutory provisions to be made for restructuring book, leading to increase in credit costs by ~80-100 bps this fiscal. However, increase in NIMs will partially offset the increase in credit cost and, thus, RoA is expected to be in the range of ~0.6-0.8% for fiscal 2021. In fiscal 2022, NIMs are expected to decline as interest rates are expected to bottom out and gradually move upward. RoA is expected to continue in the range of 0.6-0.8%, given the decline in NIMs and increased credit cost (resulting from slippages of the restructured book).

Housing Finance Segment

The housing finance sector in India houses a large number of institutions with financial institutions (FIs), scheduled commercial banks, scheduled cooperative banks, regional rural banks, agriculture and rural development banks, housing finance companies (HFCs), state level apex co-operative housing finance societies, NBFCs, MFIs and self-help groups meeting the demand for credit. In the past, demand for home loans rose on account of increasing demand from tier-II and -III cities, rising disposable incomes, and government steps such as interest rate subvention schemes and fiscal incentives.

Overall housing credit growth to moderate in fiscals 2021 and 2022

Total home loans outstanding in the country stands at ~Rs 20.4 trillion as of fiscal 2020, more than double the figure five years back. The segment logged a healthy 16% CAGR between fiscals 2015-2020. However, it slowed down in fiscal 2020 led by decline in credit growth across HFCs.

Covid-19 has intensified the headwinds already facing the housing finance sector. The pandemic, and subsequent nationwide and local lockdowns, as well as regulations to control its spread, have taken a toll on the economy. This has had a cascading impact on construction activity. Large scale migration of labour back to their home towns / villages during the nationwide lockdown period, and subsequent uncertainty with regard to project execution, have affected buyer sentiment for under construction projects.

Also, demand has been affected on account of:

- Restricted income growth and limited employment opportunities softening demand from end-buyers, particularly self-employed borrowers
- Decrease in funding to developers, thereby stalling of projects

CRISIL Research believes home loans outstanding (banks and NBFCs) will grow only slower 3-5% on-year in fiscal 2021 vis-à-vis the double-digit pace posted in the past few years.

Housing loans credit outstanding at HFCs/NBFCs to grow by 2-4% in fiscal 2021

The credit growth of HFCs slowed considerably after September 2018 due to liquidity constraints. Players started focusing on managing asset liability mismatches rather than growing their book. Consequently, HFCs' home loan credit grew by ~3% on-year in fiscal 2020. The pandemic has only intensified the headwinds for the sector.

In contrast, market borrowings of HFCs with relatively higher asset-liability mismatches, high proportion of non-retail portfolio in the overall book, and those who do not have strong parentage will be restricted. Among HFCs/NBFCs, few large players reported sharp disbursements in more than 70% of normal levels during Q2 FY21, while this number has reached more than 80% in October and November 2020. Along with low interest rates, this sharp improvement in demand during is mainly due to:

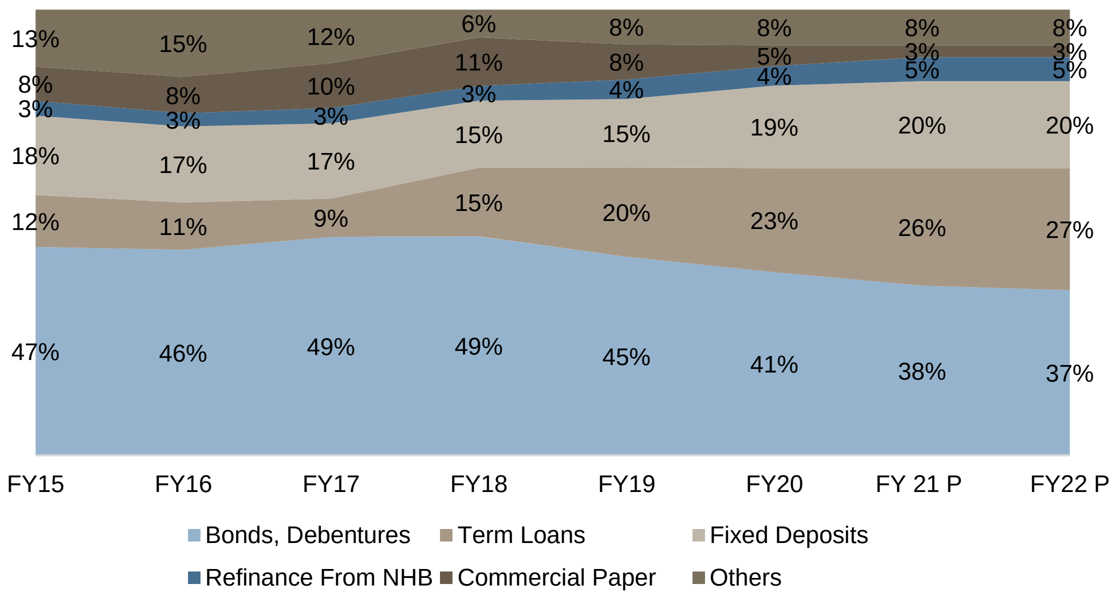
- There was large pent-up demand of housing loans which customers got disbursed due to inactivity in first quarter.

- Generally, Q2 is a festive season in India6, creating a demand to buy/construct a house.

Due to lower disbursements and lower repayments in H1 of this fiscal, growth of housing loans outstanding at HFCs/NBFCs remained lower at 1-3%. With improvement in demand in H2, and higher repayments (including prepayments which are likely muted in H1), growth is expected to be 2-4% in fiscal 2021.

Term loans to gain share in borrowing mix of HFCs/NBFCs

Share of bank borrowings rose over the past four years

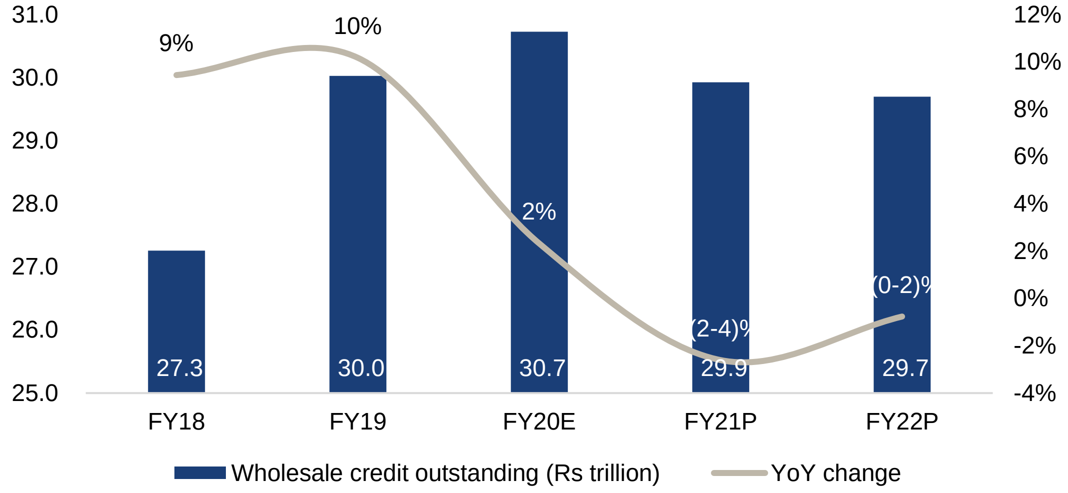


Note: P: Projected
Source: Company reports, CRISIL Research

Wholesale

Stress in the real estate sector continues to affect growth, GNPA of wholesale book

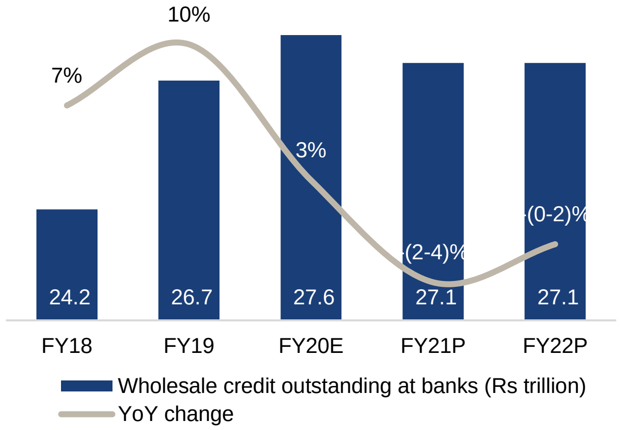
Wholesale credit outstanding is expected to decline by 2-4% in fiscal 2021

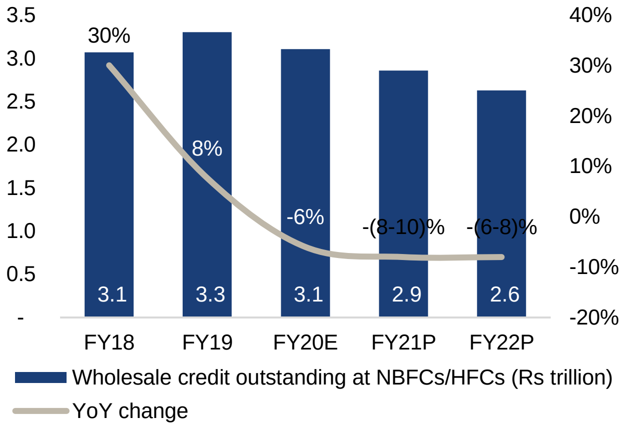


Source: RBI, Company Reports, CRISIL Research

NBFCs to witness sharp decline in wholesale book compared to banks in coming years

Wholesale credit outstanding of NBFCs to decline by 8-10% while banks by 2-4% in fiscal 2021





Source: RBI, Company Reports, CRISIL Research

OUR BUSINESS

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read "Forward-Looking Statements" on page 16 of this Draft Shelf Prospectus for a discussion of the risks and uncertainties related to such statements and also "Risk Factors" on page 17 of this Draft Shelf Prospectus for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal are to the 12 months ended March 31 of that year. Unless otherwise indicated, the financial information included herein is based on our Audited Financial Statements as at and for Fiscals 2020, 2019, 2018, 2017 and 2016, our Nine-months Limited Review Financial Results as at and for the nine month period ended December 31, 2020. For further information, see "Financial Statements" on page 149 of this Draft Shelf Prospectus.

Unless otherwise indicated, industry and market data used in the context of NBFCs in this section has been derived from the report "CRISIL Research – NBFC Report 2020 released in Mumbai in December 2020" by CRISIL Limited dated December 2020 (the "CRISIL Report") prepared and issued by CRISIL.

The following information is qualified in its entirety and should be read together with the more detailed financial and other information included in this Prospectus, including the information contained in "Financial Information" and "Risk Factors" on pages 149 and 17, respectively, of this Draft Shelf Prospectus. Except as indicated otherwise, all references in this section to "we", "us", "our" or "our Company" are to Indiabulls Commercial Credit Limited, and its Subsidiary, as appropriate.

OVERVIEW

We are a non-deposit taking NBFC registered with the RBI and a 100% subsidiary of IHFL, one of the largest listed housing finance companies ("**HFCs**") in India in terms of AUM. We are also a notified financial institution under the SARFAESI Act.

We focus primarily on long-term secured mortgage-backed loans. We offer loans against property to our target client base of salaried and self-employed individuals, including to small and medium-sized enterprises. We also offer mortgage loans to real estate developers in India in the form of lease rental discounting for commercial premises and construction finance. As of March 31, 2020, mortgage loans constituted 80.64% of our loan book.

As of December 31, 2020, we had offices spread across India. Our network (including that of parent company IHFL) gives us a pan-India presence across Tier I, Tier II and Tier III cities in India which also allows us to interact with and service our customers at the local level, whilst ensuring that credit decisions are taken at regional hubs in accordance with defined and identified internal parameters and protocols. As of December 31, 2020, we had a sales team of over 800 employees who were located across our network (including that of IHFL). We also rely on external channels such as direct sales agents and business associates for referring potential customers.

Our borrowings as at December 31, 2020, March 31, 2020, 2019 amounted to ₹ 8,390.54 crores, ₹ 8,878.06 crores and ₹ 10,806.62 crores, respectively and our borrowings as per I GAAP as at March 31, 2018 amounted to ₹ 6,937.94 crores . We rely on long-term and medium-term borrowings from banks, amongst others, including issuances of non-convertible debentures. We have a diversified lender base comprising public sector undertakings ("**PSUs**"), private banks, mutual funds, provident funds, pension funds and others. We also sell down parts of our portfolio through securitization and/or direct assignment of loan receivables primarily to various banks, which results in an additional source of liquidity for us.

We have long-term credit ratings of "AA; Stable" from CRISIL and "AA; Negative" from CARE (for the long-term loans and non-convertible debentures) and "AA+/Negative" from Brickwork Ratings (for our long-term loans and non-convertible debentures). Additionally, we have a credit rating of "AA; Stable" from CRISIL and "AA; Negative" from CARE Ratings and "AA+/Negative" from Brickwork Ratings in relation to our subordinated debt programme.

As at December 31, 2020 and March 31, 2020 and 2019, our gross non-performing assets NPAs as a percentage of our AUM were 5.44%, 2.56% and 1.12%, respectively, and our net NPAs (which reflect our gross NPAs less provisions for ECL on NPAs (Stage 3) for the nine months ended December 31, 2020 and the years ended March

31, 2020 and 2019, as a percentage of our AUM were 3.89%, 2.00% and 0.84%, respectively. As at March 31,2018 our gross non-performing assets NPAs as a percentage of our AUM were 0.61%, and our net NPAs (which reflect our gross NPAs less provision for NPAs) as a percentage of our AUM were 0.40%. As of December 31, 2020, and March 31, 2020, 2019 and 2018, our capital to risk (weighted) assets ratio ("**CRAR**") was 34.62%, 32.44%, 27.88% and 18.72% respectively.

For the nine months ended December 31, 2020 and the Fiscal Years 2020, 2019 and 2018, our total revenue from operations was ₹ 1,256.09 crores, ₹ 2,190.47 crores, ₹ 1,759.91crores and ₹ 928.06 crores, respectively and our net profit after taxes was ₹ 277.97 crores, ₹ 19.81crores, ₹ 323.00 crores and ₹ 268.56 crores, respectively. Our revenue from operations as per IND AS grew at a compound annual growth rate ("**CAGR**") of 53.63% from Fiscal Year 2018 to Fiscal Year 2020.

Our revenue from operations increased by ₹ 430.56 crores from ₹ 1,759.91 crores for the Fiscal Year 2019 to ₹ 2,190.47 crores for the Fiscal Year 2020.

The key areas of focus for us and our Board are asset liability management and risk management. We have formed an asset liability management committee and an integrated risk management committee. Our asset liability management committee reviews our asset and liability positions, approves, reviews, monitors and modifies our credit policy periodically and gives directions to our finance and treasury teams in managing the same. Our integrated risk management committee periodically approves, reviews, monitors and modifies various policies including our credit policy, operation policy and policies pertaining to our information security management, and the committee also reviews regulatory requirements and implements appropriate mechanisms and guidelines related to risk management.

Our key operating and financial metrics derived from Reformatted Financial Statements prepared in accordance with Ind AS for Fiscal 2020 and 2019 and Indian GAAP for Fiscal 2018 as specified below, are as follows:

(₹ in Crores)

Parameters	Fiscal 2020	Fiscal 2019
	Ind AS	Ind AS
Net worth (net of deferred tax assets)	4,378.58	4,375.05
Total Borrowings of which	8,878.06	10,806.62
Debt securities	2,440.38	2,215.22
Borrowings (other than debt securities)	6,088.82	8,247.44
Subordinated Liabilities	348.86	343.96
Financial assets (excluding cash and cash equivalents, bank balances other than cash and cash equivalents and Loan book)	1,719.98	581.48
Cash and cash equivalents	2,000.27	488.16
Bank balances other than cash and cash equivalents	52.36	52.53
Loan book as per IND AS (Net off ECL Provision)	11,706.49	15,749.83
Property, Plant and Equipment and Other Intangible assets	7.28	12.38
Non-financial assets (excluding deferred tax assets, Property, Plant and Equipment and Other Intangible assets)	872.55	160.68
Financial liabilities (excluding Debt Securities , Borrowings (other than Debt Securities) and Subordinated liabilities)	3,067.28	1,825.38
Non-financial liabilities	35.01	38.01
Interest Income (Including Treasury Income)	2,148.73	1,636.39
Finance Costs	1,158.18	826.80
Impairment on financial instruments	952.92	364.41
Total Comprehensive Income	19.76	340.68
Gross NPA (%)(As a percentage of AUM)	2.56%	1.12%

Parameters	Fiscal 2020	Fiscal 2019
	Ind AS	Ind AS
Net NPA (%)(As a percentage of AUM)	2.00%	0.84%
CRAR - Tier I Capital Ratio (%)	29.54%	25.41%
CRAR - Tier II Capital Ratio (%)	2.89%	2.47%

(*₹ in Crores*)

Parameters	Fiscal 2018
	IGAAP
Net-worth (Equity share capital + Reserve and surplus-Deferred tax assets)	1,250.78
Total Debt of which:	6,937.94
Non-current Maturities of Long Term Borrowing	3,826.57
Short Term Borrowing	2,610.94
Current Maturities of Long Term Borrowing	500.43
Net Fixed Assets	12.82
Non-Current Assets (Excluding Fixed Assets & Assets Under Management)	6,906.97
Cash and Bank Balances	297.96
Current Investments	177.15
Current Assets (Excluding Cash and Bank Balances & Current Investments & Assets Under Management)	1,112.66
Current Liabilities (Excluding Short term borrowing , Current Maturities of Long Term Borrowing)	253.36
Non-Current Liabilities (excluding long term borrowings)	32.93
Assets Under Management	8263.59
Off Balance Sheet Assets (Sold down book)	450.83
Interest Income (Including Treasury Income)	745.93
Finance Costs	361.36
Provisioning & Write-offs (net of recoveries)	68.37
PAT	254.9
Gross NPA (%)(As a percentage of AUM)	0.60%
Net NPA (%)(As a percentage of AUM)	0.40%
Tier I Capital Adequacy Ratio (%)-Standalone	15.26%
Tier II Capital Adequacy Ratio (%)-Standalone	3.46%

Our key operational and financial parameters, prepared in accordance with IND AS as at and for the nine-month period ended December 31, 2020 are as follows:

(*₹ in Crores*)

Parameters	As at and for the nine month period ended December 31, 2020
Net worth (net of deferred tax assets)	4,612.19
Total Borrowings of which	8,390.54
Debt securities	2,190.66
Borrowings (other than debt securities)	5,850.67

Parameters	As at and for the nine month period ended December 31, 2020
Subordinated Liabilities	349.21
Financial assets (excluding cash and cash equivalents, Bank balances other than cash and cash equivalents and Loan book)	1,020.97
Cash and cash equivalents	363.69
Bank balances other than cash and cash equivalents	33.17
Loan book as per IND AS (Net off ECL Provision)	12,641.13
Property, Plant and Equipment and Other Intangible assets	2.93
Non-financial assets (excluding deferred tax assets, Property, Plant and Equipment and Other Intangible assets)	581.54
Financial liabilities (excluding Debt Securities , Borrowings (other than Debt Securities) and Subordinated liabilities)	1,501.07
Non-financial liabilities	139.63
Interest Income (Including Treasury Income)	1,250.50
Finance Costs	772.07
Impairment on financial instruments	110.24
Total Comprehensive Income	278.31
Gross NPA (%)(As a percentage of AUM)	5.44%
Net NPA (%)(As a percentage of AUM)	3.89%
CRAR - Tier I Capital Ratio (%)	32.01%
CRAR - Tier II Capital Ratio (%)	2.61%

Our Company's Evolution

The Company, as an incorporated legal entity came into existence on July 7, 2006, under the Companies Act, 1956, having been registered on such date with the Registrar of Companies, National Capital Territory of Delhi and Haryana under registration no. U65923DL2006PLC150632 with the name Indiabulls Commercial Credit Limited. The name of the Company was changed to Indiabulls Infrastructure Credit Limited on January 21, 2009, and further changed to Indiabulls Commercial Credit Limited on March 12, 2015.

The RBI had issued us a certificate of registration bearing No.N-14.03136 on February 12, 2008 to carry on the business of NBFC without accepting public deposit, and consequent to the change in the name of the Company, RBI had issued us a fresh certificate of registration bearing No. N-14.03136 on April 16, 2015.

Brief Timeline:

Date/Period	Activities
July 7, 2006	Incorporated as Public Limited Company under the Companies Act, 1956, as a wholly owned subsidiary of erstwhile Indiabulls Financial Services Limited (now merged with Indiabulls Housing Finance Limited)
February 12, 2008	Registered with Reserve Bank of India to carry on the business of a non-banking financial institution without accepting public deposits.
February 20, 2008	Our Company obtained the Certificate of commencement of business
January 21, 2009	The name of the Company was changed to Indiabulls Infrastructure Credit Limited.
March 12, 2015	The name of the Company was changed to Indiabulls Commercial Credit Limited
April 16, 2015	RBI issued fresh Certificate of Registration No. N-14.03136 dated April 16, 2015 consequent to change in name to Indiabulls Commercial Credit Limited

Date/Period	Activities
March 31, 2016	Scheme of Arrangement under Sections 391-394 of the Companies Act, 1956 between Indiabulls Finance Company Private Limited (the Transferor Company), Indiabulls Commercial Credit Limited (the Company or the Transferee Company) and their respective shareholders and creditors, which became effective from April 1, 2015

We operate under the "Indiabulls" brand name, which is a reference to the Indiabulls group of companies, a diversified set of businesses in the financial services, real estate and securities sectors.

Our Company has one subsidiary, i.e., Indiabulls Asset Management Mauritius*.

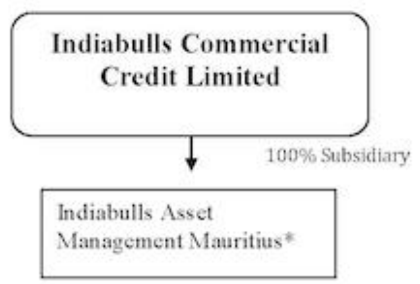
**Indiabulls Asset Management had voluntarily filed an application with the Registrar of Companies, Mauritius on November 25, 2019 for winding-up of the company's operation and liquidation. As on the date of this Draft Shelf Prospectus, the application for winding up of the company is currently under process.*

Business of our Subsidiary

- To act as collective investment schemes manager under the provisions of Securities Act, 2005 and Securities (Collective Investment Schemes and Close-end Funds) Regulations, 2008 and other related businesses; and
- To engage in global business as permitted under the Financial Services Act, 2007 and any other laws for the time being in force of Republic of Mauritius and other related business.

Corporate Structure

Indiabulls Commercial Credit Limited Group Structure as on the date of this Draft Shelf Prospectus



**Indiabulls Asset Management Mauritius had voluntarily filed an application with the registrar of companies, Mauritius, on November 25, 2019, for winding-up of its operations and liquidation. The application is currently under process.*

OUR STRENGTHS

Our primary strengths are as follows:

Support from parent and strong operational and business linkages:

We are part of the Indiabulls group, which is one of India's prominent financial services organization. We believe that our relationship with the Indiabulls group provides brand recall and we will continue to derive significant marketing and operational benefits.

We believe that the Indiabulls brand is well recognized and associated with governance and compliance structure, and high-quality customer centric services. We believe that being part of the Indiabulls group significantly enhances our ability to attract new clients. We believe that the brand value and scale of the business operations of the Indiabulls group provides us with an advantage in an increasingly competitive market. We intend to continue to leverage the brand value of the Indiabulls group to grow our business.

We are a wholly owned subsidiary of our Promoter, IHFL. Our Company draws upon a range of resources from IHFL, such as key management, common business and credit teams, treasury operations, branches, information technology and infrastructure. We leverage IHFL's experience in the various facets of the financial services sector which allows us to understand market trends and mechanics and helps us in designing our products to suit the requirements of our target customer base as well as to address opportunities that arise out of changes in market trends. In addition, our Promoter, IHFL, has made regular equity infusions in our Company, depending on the business needs of our Company.

Stable financial performance, capitalization and credit ratings

We are a fast growing NBFC in India. During the period from Fiscal Year 2019 to Fiscal Year 2020, our loan book outstanding as per IND AS grew at a CAGR of 23.79%, from ₹ 7,814.07 crores in Fiscal Year 2018 to ₹ 11,974.26 crores in Fiscal Year 2020. As at March 31, 2020, our borrowings (being the sum of the Debt securities, Borrowings (other than debt securities) and Subordinated liabilities of the Issuer) outstanding were ₹ 8,878.06 crores.

In the nine months ended December 31, 2020 and the year ended March 31, 2020, we earned ₹ 277.97 crores and ₹19.81 crores, respectively, as net profit after taxes. As of March 31, 2020, our standalone CRAR (%) was 32.44%, as against the regulatory minimum requirement of 15 per cent. We have long-term credit ratings of "AA; Stable" from CRISIL and "AA; Negative" from CARE (for the long-term loans and non-convertible debentures) and "AA+/Negative" from Brickwork Ratings (for our long-term loans and non-convertible debentures). Additionally, we have a credit rating of "AA; Stable" from CRISIL and "AA; Negative" from CARE Ratings and "AA+/Negative" from Brickwork Ratings in relation to our subordinated debt programme.

We believe that our strong financial record and high credit ratings position us to take advantage of the growth in the NBFC industry, provide us with significant competitive advantages, contribute to the growth of our business and provide a high degree of comfort to our stakeholders including lenders and rating agencies.

Access to diversified funding sources

Over the years, we have developed a diversified funding base and have established strong relationships with our lenders. Our lenders include PSU and private banks, mutual funds, insurance companies, provident funds and pension funds, amongst others.

As at December 31, 2020, our borrowings (other than debt securities) were ₹ 5,850.67 crores, debt securities were ₹ 2,190.66 crores and subordinated liabilities were ₹ 349.21 crores. We fund our capital requirements through multiple sources. Our primary sources of funding are long-term loans and issuances of non-convertible debentures. In addition, we sell down parts of our portfolio through the securitisation or direct assignment of loan receivables to various banks and other financial institutions, which is another source of liquidity for us. As at December 31, 2020, our borrowings (i.e., the sum of debt securities, borrowings (other than debt securities) and subordinated liabilities) were through banks and financial institutions (69.68%), issuances of debentures and other debt instruments, including subordinated debt (30.27%) and lease liability (0.05%).

We believe that our strong financial performance, capitalisation levels and high credit ratings give comfort to our lenders and enable us to borrow funds at competitive rates, thereby lowering our overall cost of borrowings.

Prudent credit and collection policies

Our credit policies specify the types of loans to be offered, the documentary requirements and limits placed on loan amounts. We have separate policies tailored for retail loans and for loans to real estate developers. These policies are aimed at supporting the growth of our business by minimising the risks associated with growth in our loan book.

We have also established protocols and procedures to be followed when engaging with customers, as well as to determine the authority and levels to which credit decisions can be taken at various offices. Over the years, we have gained significant experience in mortgage loan underwriting and this is now a key contributor to our business.

We also have an experienced collection team, which has, with the support of our legal team, enabled us to maintain high collection efficiencies through economic cycles. Our centralized credit analysis processes combined with our dedicated collection team help maintain the quality and growth of our total AUM.

As at December 31, 2020, our gross NPAs as a percentage of our AUM were 5.44% and our net NPAs (which reflect our gross NPAs less ECL provisions for NPAs, as a percentage of AUM) were 3.89%.

For further details on our information security measures, please see "– *Liability Management – Operational Risk Management*" on page 105 of this Draft Shelf Prospectus.

Expertise in Providing Loans to Self-Employed Individuals and Small Businesses

We primarily provide loans against property to self-employed individuals, proprietorships and businesses. These loans are secured against the cash-flow of businesses and through mortgages of, among others, business premises and self-occupied residential properties of customers. We have over 13 years of experience with loans against property ("**LAP**"), with demonstrated portfolio performance across business cycles including the global financial crisis, demonetisation, GST transition as well as the liquidity squeeze of the last two years.

We believe that the speed of underwriting LAP loans by NBFCs will be a catalyst for growth of the LAP market. Specifically, since the implementation of goods and services tax ("**GST**") in India, the filing of GST returns has been made mandatory for SMEs with turnover of over ₹ 40 lakh and involved in the intra-state supply of goods. We believe that the ready availability of historical GST returns for verification from a reliable source, will make underwriting a loan for a product as complex as LAP a quicker and safer. We ultimately believe that our experienced team and processes are well-positioned to take advantage of the new opportunities in the LAP market.

OUR STRATEGIES

Set forth below are the elements of our medium to long-term business strategy. In light of the ongoing impact of the outbreak of COVID-19, we will continually evaluate our strategy, with a view to growing our business as a sustainable franchise.

Leverage our financial strength and ratings to increase our competitiveness, diversify our funding mix and reduce our funding costs

Our cost of borrowings is driven by our credit ratings, our financial discipline and our business performance. We have long-term credit ratings of "AA; Stable" from CRISIL and "AA; Negative" from CARE (for the long-term loans and non-convertible debentures) and "AA+/Negative" from Brickwork Ratings (for our long-term loans and non-convertible debentures). Additionally, we have a credit rating of "AA; Stable" from CRISIL and "AA; Negative" from CARE Ratings and "AA+/Negative" from Brickwork Ratings in relation to our subordinated debt programme. Based on our ratings, we expect to continue to source funding at competitive rates from the debt markets. We believe that this competitive pricing combined with our loan service levels will allow us to attract more customers with good credit records, to grow our portfolio and attain a higher incremental market share.

We also seek to continue to use a variety of funding sources to optimize funding costs, protect interest margins and maintain a diverse funding portfolio that will enable us to further achieve funding stability and liquidity.

Our funding mix as per IND AS is as follows:

(₹ in crores)

Source of funding	FY 2020	FY 2019
Loans from banks and others*	6,083.10	8,247.44
Debentures	2,440.38	2,215.22
Subordinated debt	348.86	343.96
Lease Liability	5.72	-
Total	**8,878.06**	**10,806.62**

Loans from banks and others includes cash credit facility/working capital demand loans/ overdraft from banks, loans from related parties and securitisation liability

Collaboration with banks for LAP loans

As a consequence of the tightening of liquidity conditions and the crisis of confidence in the NBFC sector that began in September 2018 (for details, see "*Industry Overview*") we believe that a successful retail business will have to go through a cyclical shift wherein asset-heavy balance sheets and high leverage levels will have to transform into leaner balance sheets by following an asset light model of business. Accordingly, we intend to follow an asset-light growth model, comprising two elements: co-origination with banks; and increased portfolio sell-downs.

We aim to originate LAP loans which we can then securitise to banks and other financial institutions. For origination of new loans, our eventual target is approximately a 40:40:20 split between co-origination with banks, securitisation and onward lending respectively. Of all the LAP loans originated, only about one-third will stay on-balance sheet while the rest will be off-balance sheet (i.e., either securitised or onward lent by us). Thus, we believe the asset-light model will be return on equity accretive. As of December 31, 2020, we have sourced for LAP loans under the co-lending agreements with a private bank with disbursals scaling up daily.

Co-origination model

Pursuant to the RBI's policy on co-origination by banks and NBFCs for priority sector lending, we have entered into co-origination arrangements with a private sector bank for LAP loans and are in discussions with certain other banks regarding such arrangements. We believe these banks are looking to grow their retail loan book and we can offer them cost-efficient distribution and quality underwriting of loans. The co-origination model involves the sharing of risks and rewards between banks and NBFCs, through 80:20 participation, whereby 80% of the loan is provided by the bank and the remaining 20% is provided by NBFCs. Accordingly, for our co -originated loans, we recognise 20% of the total loan amount on our balance sheet. As the customer gets a rate that is a blend of 80% bank rate and 20% ours, we believe we can realise a healthy yield while the yield for the end-customer still remains very reasonable and competitive. The credit policy for co-originated loans is jointly prepared by the bank and us.

Under this model, we earn a spread on our portion of the loan (i.e., 20% of the total loan amount). In addition, we also receive a processing fee from the customer, an origination fee from the bank (on their 80% of the loan amount), annual servicing fees from the bank (on their 80% of the loan amount) and insurance income in relation to insurance provided to the customer.

Sell-down

We, along with our parent IHFL, have sell down relationships with 25 financial institutions, primarily banks, that are well acquainted with our portfolio and underwriting quality. We sell down loans at a spread from the yield received from end customers. This spread is earned on 100% of the sold loans, while only 10% to 20% of such loans remain on our balance sheet. While we have consistently been selling down loans in the past, going forward, our strategy is to further increase the sell down portion of our portfolio.

Continue to maintain prudent risk management policies for our assets under management

We believe that the success of our business is dependent on our ability to consistently implement and streamline our risk management policies. As we focus on building a large AUM with low credit risk, we will continue to maintain strict risk management standards to reduce credit risks and promote a robust recovery process.

Leverage on technology to improve customer reach and operating efficiency

We also intend to further develop and strengthen our technology platform to support our growth and improve the quality of our services. We will continue to update our systems and use latest technology to streamline out credit approval, administration and monitoring processes to meet customer requirements on a real-time basis. We believe that improvements in technology will also reduce our operational and processing time, thereby improving our efficiency and allowing us to provide better service to our customers.

OUR LENDING AND OTHER FINANCIAL PRODUCTS

Our lending products primarily include loans against property and corporate mortgage loans. As of March 31, 2020, mortgage loans (comprising of loans against property and corporate mortgage loans) constituted 80.64% of our loan book. Average ticket size of the loans is INR 1.83 crore

Loans against Property

We provide loans against property primarily to self-employed individuals, proprietorships and small businesses for working capital or business expansion needs. The loans are secured against business cash flow or with a mortgage against a self-occupied residential property owned by the customer. The term of the loan is typically seven years.

Corporate Mortgage Loans

We provide finance to real estate developers through corporate mortgage loans. Corporate mortgage loans are made available through two main types of structures: (i) construction finance and (ii) lease rental discounting loans for commercial properties.

Construction Finance

Under construction finance, funding is for the construction of residential or commercial premises. The land and the housing/ commercial units and/ or projects being constructed, as well as all the sales and other receivables from such units and/ or projects are mortgaged or charged in our favour to secure the loan and other dues.

Lease Rental Discounting

Lease rental discounting loans are loans provided against hypothecation of the rental receivables (which are routed through an escrow account) of an operational commercial property, which is the primary source of repayment/payment of the loan and the other dues. The commercial property is also mortgaged to secure the loan and the other dues. Additionally, the promoter's guarantee and mortgagor's shares may be pledged to further secure the loan and other dues. A key consideration in the credit appraisal process is the enforceability of the mortgaged property and the other security.

LENDING POLICIES AND PROCEDURES

Overview

We are an NBFC registered with the RBI, which is the regulator for NBFC in India. The RBI stipulates prudential guidelines, directions and circulars in relation to NBFCs. For further details, please see "*Regulations and Policies*" on page 112 of this Draft Shelf Prospectus.

Within the RBI guidelines, directions and circulars, NBFCs can establish their own credit approval processes. As such, once a company has obtained an NBFC license, the terms, credit levels, and interest rates of loans and any credit approvals would be based upon the NBFC's established internal credit approval processes framed in accordance with applicable regulations by the RBI. Each NBFC undergoes annual inspections by the RBI. The inspections are exhaustive and can last for a period of three to four weeks during which the regulators review the NBFC's adherence to regulatory guidelines, scrutinize the loan book and individual loan files, including security documents, review the functioning of the Board of Directors and its committees and their adherence to minutes of various internal meetings, review the NPA and delinquent cases, review and evaluate the credit approval policies and credit assessment standards, review implementation of decisions and policies of the Board of Directors and review adherence to prescribed formats in the filing of regulatory reports.

We have a team of experienced officers in our credit appraisal and risk management teams to develop and implement our credit approval policies. Our credit approval policies focus on credit structure, credit approval authority, customer selection and documentation provided by the customer. Our risk management and appraisal systems are regularly reviewed and upgraded to address changes in the external environment.

Customer Appraisal and Approval Process

We have dedicated units that appraise and approve loan applications operating at the branch office, master service centre and head office levels. Each office must independently approve a prospective customer's loan application before any loan offer is made. Additionally, our master service centres are staffed by more senior personnel who are involved in more complex credit decision making. We follow an exhaustive internal appraisal process that includes, amongst other things, checking the following:

- applicant's credit worthiness;
- quality, value and enforceability of the collateral;
- applicant's repayment sources and ability; and
- purpose and end-use of the loan.

We believe that our thorough credit approval process has, in part, allowed us to grow our high-quality AUM with low delinquency rates.

The customer appraisal process begins at the branch office level. All applications for retail mortgage loans by prospective customers must be submitted on our standardised forms. In addition to submitting a duly signed application form and processing fee cheque, prospective customers are required to submit certain KYC documents, including proof of name, date of birth, address and signature, as well as documents relating to the property to be purchased. To be eligible for a retail mortgage loan, each prospective customer must either be presently employed and receiving a salary from a corporation or be self-employed with an established business track record and sufficient earnings. Each such prospective customer is also required to provide requisite documentation for income verification purposes. If salaried, prospective customers are required to submit salary slips, bank statements and Form 16, a certificate issued to salaried personnel in India by their respective employers certifying the tax deducted at source from salary disbursements for such employees. If self-employed, prospective customers are required to submit income tax returns along with financial statements and bank statements. Borrowers which are proprietorships or companies are also required to submit certain approvals maintained by them in respect of their business and operations.

Once a prospective customer has submitted a completed application, credit officers in the branch office verify various details and empanelled third-party agencies conduct various on-site checks to verify the prospective customer’s work and home addresses, as well as telephone numbers. We check the credit history and credit worthiness of the customer on various credit bureaus to ascertain the financial obligations of the customer and to ensure that the customer has a clean repayment track record, such as consumer credit reports from CIBIL for delays/defaults by the borrower. We also carry out various reference checks with the customer’s bankers and debtors, creditors, as well as with the customer’s neighbours. Internally, we check databases for any information and feedback on the customer. We carry out title and legal checks, including interest checks through filings made to Central Registry of Securitisation Asset Reconstruction and Security Interest of India, on the collateral to ensure that it has the first and sole charge on it. We conduct property valuations internally and also engage external property valuers to assess the property. The lower of the two valuations is considered by the credit officer. Additional checks are also undertaken by our fraud control unit to make sure that the customer is genuine.

Once the application review process is completed, the loan is sanctioned by the mandated approval authority. A credit decision is then communicated to the customer.

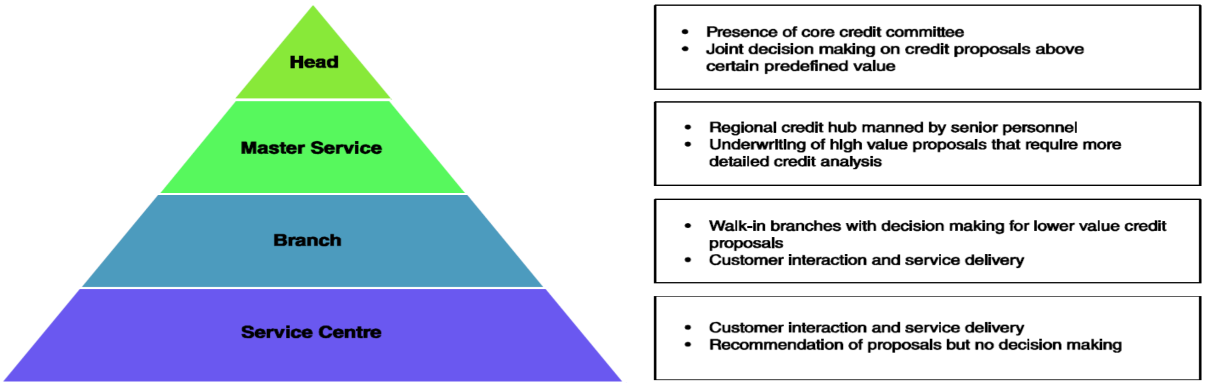
Before disbursing the loan, we must receive either electronic clearance instructions or post-dated cheques from the customer for the EMI payments. We also receive an additional cheque for the principal amount of the loan, which we can present if the loan becomes pre-payable for any reason. Once the direct debit authorizations and/or cheques have been received, the funds are disbursed to the customer.

Direct Sales Team

Our customers are sourced by our in-house direct sales team (“**DST**”), external direct sales agents (“**DSA**s”) and through branch walk-ins (including that of our parent IHFL). Our "feet-on-street" DST covers and penetrates the urban and semi-urban customer segments. As of December 31, 2020, we had a DST of over 800 employees located across our network (including that of our parent IHFL).

The DST employees supervise approved and under-construction residential projects across India. They engage with customers at the time that the customers are selecting housing units for purchase. Often the DST employees show various developments to the customers and help the customers with the purchase decision. Once the sale is ready to close, the DST employees also assist the customers in obtaining a housing loan.

We also rely on DSAs for referring potential customers. Our DSAs are typically proprietorships and self-employed professionals who primarily work with multiple small businesses providing consulting services. They pass on leads of any loan requirements of these small businesses to us. These DSAs do not work exclusively with us and may also work with other lenders, including our competitors. DSAs pass on leads to us and document collection, credit appraisal and eventual loan fulfilment are done by us in-house.



Portfolio Monitoring

Our risk audit and collection department reviews and monitors our loan portfolio. This department monitors debt repayment levels of particular loan exposures on a continuous basis. This allows us to identify potentially problematic loans at an early stage and prepares us for immediate action if any principal or accrued interest repayment problems arise.

The portfolio is monitored by way of various analyses consisting of:

- bucket-wise ageing analysis (that is, the number of days past due) of the outstanding portfolio;
- concentration risk monitoring in segments of the portfolio;
- early warning delinquency analysis; and
- historical case review on a periodical basis, including review of credit risks and operational risks.

Asset Recovery and Non-Performing Loans

Once an account is classified as a NPA, in accordance with the RBI Directions, proceedings under the SARFAESI Act commence. The proceedings commence with the issuance of a notice to the borrower and/ or the guarantor calling upon them to pay the demanded amount within 60 days. In the case of non-compliance, another notice is issued for taking over symbolic possession of mortgaged property. Thereafter, applications seeking police assistance for taking physical possession of the mortgaged property are filed before the magistrates and collectors concerned.

We then obtain a valuation of the mortgaged property and fix the reserve price and put it up for auction. At times, the property is also sold through private arrangements after obtaining consent of the borrower. Portions of the portfolio where the likelihood of repayment is remote are written off. Subsequent recoveries on these portions are recognized directly in our income statement but the asset itself is not regularized and remains written off.

In addition to initiating proceedings under the SARFAESI Act, in the event that EMI or principal repayment cheques issued by our customers are dishonoured on account of insufficiency in funds, we undertake proceedings under the Negotiable Instruments Act, 1881 or the Payment and Settlement Systems Act, 2007 ("PSS Act") for asset recovery and NPAs. Upon the receipt of the relevant information and documents such as the physical cheque and bouncing memo, proceedings under the Negotiable Instruments Act may be initiated by serving a notice demanding payment. If no payment is received within the stipulated period, a criminal complaint is filed before the competent court having jurisdiction to try the case. After the trial, if the accused person(s) are convicted, they are liable for imprisonment or fine or both.

We also initiate arbitration proceedings based on arbitration clauses in our loan agreements. Once the arbitrator accepts the request for appointment, he/ she sends acceptance in writing to all the parties to the dispute and calls upon the claimant to file the statement of claim. We file our statement of claim before the arbitrator and if required, an application under the Arbitration and Conciliation Act seeking appropriate interim reliefs. If the respondent(s) do not appear in the arbitration proceedings even after due service, they are proceeded *ex-parte*. The proceedings are conducted as per procedure laid down in law and by the arbitrator. After adjudication, *ex-parte* or otherwise, an award is passed by the arbitrator.

The following table sets forth details of our non-performing loans (in absolute terms and also as a percentage of AUM) and our provision for impairment due to expected credit loss as at December 31, 2020, March 31, 2020 and 2019:

Particulars	**Standalone**		
	As at March 31,		**December 31**
	2019	**2020**	**2020**
	(in ₹ crores, except percentages)		
Gross NPAs	197.00	347.37	783.84
% of gross NPAs to AUM	1.12%	2.56%	5.44%
Net NPAs	148.65	270.72	560.75
% of net NPAs to AUM	0.84%	2.00%	3.89%
Provision for impairment due to expected credit loss	91.48	267.77	363.77

The following table sets forth details of our non-performing loans (in absolute terms and also as a percentage of AUM) and our provision for NPAs as at March 31, 2018 as per I GAAP

Particulars	**Standalone**
	As at March 31,
	2018
	(in ₹ crores, except percentages)
Gross NPAs	49.49
% of gross NPAs to AUM	0.61%
Net NPAs	32.94
% of net NPAs to AUM	0.40%
Provision for Loan Assets	16.55

LIABILITY MANAGEMENT

We have a liability management program that leads to stable borrowings at reasonable costs. We have lending relationships with Indian public sector banks, private banks, mutual funds, provident funds, pension funds, insurance companies and others financial institutions.

Our borrowing is mainly in the form of term loans from banks and non-convertible debentures.. We do not currently rely on short-term borrowings through commercial paper.

Risk and Asset-Liability Management

Our Board of Directors has formed an Integrated Risk Management Committee and Asset Liability Management Committee to help prudently manage major risks within the company.

The Integrated Risk Management Committee is responsible for, among other things:
- approving, reviewing and modifying the credit and operation policy from time to time.
- reviewing the applicable regulatory requirements.
- approving all of our functional policies.
- putting in place appropriate mechanisms to detect customer fraud and cyber security during the loan approval process.
- reviewing the profiles of the high loan customers from time to time.
- reviewing branch audit reports/concurrent audit report of treasury.
- reviewing compliances of lapses.

- reviewing the implementation of Fair Practice Codes ("**FPCs**"), KYC and Prevention of Money Laundering Act, 2002 guidelines.
- defining loan sanctioning authorities, including credit committee vetting processes, for various types/values of loans as specified in the credit policy approved by the Board of Directors.
- reviewing SARFAESI cases.
- recommending bad debt write off in terms of the policy, for approval to audit committee, and
- any other matter involving risk to the asset/business of us.

The Asset Liability Management Committee is responsible for, among other things:

- Evaluating market risk involved in launching new products.
- Deciding our transfer pricing policy, and
- Approving and regularly reviewing our business plan and targets.

Our Board of Directors has constituted various other committees, namely the Audit Committee, the Investment Committee, the Nomination and Remuneration Committee, the Corporate Social Responsibility Committee, the Bond Issue Committee, the Stakeholder Relationship Committee and the IT Strategy Committee, which act in accordance with the terms of reference determined by the Board of Directors, as well as applicable corporate governance requirements. These committees comprise independent directors on our Board of Directors along with experienced members of our management team who have put in place preventive measures to mitigate various risks. Our Company has a mechanism in place to ensure the ongoing review of systems, policies, processes and procedures to contain and mitigate risks that arise from time to time. The key principles we apply to address and mitigate interest rate risk, liquidity risk, credit risk and operational risk are summarized below.

Interest Rate Risk

We are in the business of lending. We borrow funds at floating and/ or fixed rates of interest, while we primarily extend credit at floating and/or fixed rates of interest. Our profitability is linked to interest rates. This exposes us to an interest rate risk. Consequently, exposure to interest rate fluctuations and increases needs to be managed in order to mitigate the risk.

As at December 31, 2020, a significant majority of our loan assets and borrowings were floating rate. Our business is impacted by a change in interest rates although the floating rate loans only re-price on a periodic basis.

This risk is managed on the balance sheet by the management team with the guidance of our asset liability management committee. The committee actively reviews the assets and liabilities position of our Company and gives directions to the finance and treasury teams in managing the same.

While we have entered into various swap arrangements to reduce its exposure to interest rate fluctuations, such arrangements may not sufficiently reduce our exposure to fluctuation in interest rates or adequately protect us against any unfavourable fluctuation in the interest rates.

For more information on our liquidity risk, see "*Risk Factors – We are vulnerable to the volatility in interest rates and we may face interest rate and maturity mismatches between our assets and liabilities in the future which may cause liquidity issues"* on page 20 of this Draft Shelf Prospectus.

Foreign exchange risk

Substantially all of our revenue and our expenditure are denominated in Indian Rupees. Fluctuations in the exchange rate between the U.S. Dollars and Indian Rupees may affect our interest expenses, financial condition, cash flows and profitability. The Indian Rupees' exchange rate with the U.S. dollar and other currencies is affected by, among other things, changes in India's political and economic conditions.

While we have entered into hedging arrangements to hedge our entire balance sheet risk on our foreign exchange exposure, such arrangements may not sufficiently reduce our exposure to fluctuation in interest rates or adequately protect us against any unfavorable fluctuations in exchange rates.

Liquidity Risk

Any liquidity risk arising due to non-availability of adequate funds at an appropriate cost is minimized through a mix of strategies, including asset securitization and assignment and temporary asset liability gap. We constantly monitor our liquidity under the guidance of the asset liability management committee and the investment committee.

We constantly monitor our liquidity under the guidance of the asset liability management committee and the investment committee. We classify our assets and liabilities as current and non-current based on their contracted maturities. However, our classification of assets and liabilities into various maturity profiles reflects various adjustments for prepayments and renewals in accordance with the guidelines issued by the RBI. We manage our balance sheet while drawing new debt and extending credit so as to minimize potential asset-liability mismatches.

Capital Adequacy

NBFCs are required to maintain a minimum CRAR norm of 15% of the risk weighted assets and risk adjusted value of off-balance sheet items before declaring any dividends. The table below sets forth our standalone CRAR as at March 31, 2020, 2019 and 2018:

Particulars	**Standalone**		
	For the Fiscal Year ended March 31,		
	2020	**2019**	**2018**
CRAR[1]	32.44%	27.88%	18.72%
CRAR – Tier I Capital	29.54%	25.41%	15.26%
CRAR – Tier II Capital	2.89%	2.47%	3.46%

Note:

1. *CRAR is defined as a capital ratio consisting of Tier I and Tier II Capital to its aggregated risk weighted assets (as per the RBI Regulations) and risk adjusted value of off-balance sheet items.*

Credit Risk

Credit risk is the risk of loss that may result from a borrower's or counterparty's failure to meet the contractual obligation of repaying debt as per the agreed terms. Credit risk is actively monitored and controlled by our integrated risk management committee. The committee reviews and updates the credit policy, which is strictly adhered to by our underwriting teams. We also employ advanced credit assessment procedures, which include verifying the identity and checking references of the prospective customer thoroughly at the lead generation stage. Our extensive local presence also enables us to maintain regular direct contact with our customers. The underwriting team works closely with our fraud control unit, which uses internal and external sources to identify all possible fraudulent loan applications.

The Integrated Risk Management Committee is comprised of four members, including members of our senior management team with significant experience in the industry. The Integrated Risk Management Committee meets multiple times during the year and actively monitors emergent risks to which we may be exposed. The Integrated Risk Management Committee has put in place enhanced control measures in an attempt to minimise these risks. We have also appointed a chief risk officer whose scope of domain includes assessment and mitigation of various types of risks including strategic risk, operational risk, compliance, market risk and legal risk.

Operational risk management

Our Integrated Risk Management Committee manages the integrated risk which includes credit risk, liquidity risk, interest rate risk and operational risk. Our Board is informed about the risk assessment and risk reduction procedures undertaken. Our Board periodically reviews the risk management policies and practices followed by our Company.

Operational risk is the risk of loss resulting from (i) inadequate or failed internal processes, (ii) people and systems, or (iii) external events. Operational risk is associated with human errors, system failures, and inadequate procedures and controls. Operational risk exists in any kind of products and business activities.

We have identified certain types of the operational risk events which are more likely to result in substantial losses to our business. These include (i) credit risk, (ii) technology risk, (iii) employee risk, (iv) regulatory risk and (v) the risks arising from fraud and anti-money laundering transactions.

We have implemented strategies and methods to safeguard against these risks:

Credit risk

We have an in-house internal audit team, which conducts periodic audits for all our businesses and functions.

The objective of credit risk management is to minimize the risk and maximize ICCL's risk adjusted rate of return (RARR) by assuming and maintaining credit exposure within the acceptable parameters. ICCL lays a lot of stress on directions and oversight from the Senior Management for managing its Credit Risk. It is construed as the overall responsibility of ICCL's senior management to approve the company's credit risk strategy and lending policies relating to credit risk and its management.

Senior Management Oversight

The Senior Management oversight is actively involved in:

- Delineating the company's overall risk tolerance in relation to credit risk
- Ensuring that the company's overall credit risk exposure is maintained at prudent levels and is consistent with the available capital
- Ensuring that the top management, as well as individuals responsible for credit risk management, possess sound expertise and knowledge to accomplish the risk management function
- Ensuring that the company implements sound fundamental principles that facilitate the identification, measurement, monitoring and control of credit risk.
- Ensuring appropriate plans and procedures for credit risk management are in place.

Technology risk

We have an in-house IT team including that of IHFL, which ensures that the software and hardware systems are not only the best but also continuously upgraded and safeguarded against any kind of technology related threats. The IT team is responsible for ensuring that the occurrence and frequency of IT downtimes is kept to a minimum. The team is also responsible for the accessibility of our IT system to authorized users and password management.

We have instituted security protocols such as firewalls, intrusion prevention system to detect and stop threats and have separations for internet facing applications and critical internal applications. We periodically assess our IT infrastructure and applications to find potential security threats and remedy threats discovered as well as monitor critical applications and systems for any suspicious activity. We have internal policies for acceptable use of corporate systems, confidential data, email, mobile devices and passwords. We also have deployed tools such as 'data loss prevention' and 'identity and access management' to handle different threats and unauthorised access to our systems and networks.

Employee risk

We have implemented an effective screening programme to conduct pre-employment background checks. Adequate and proper reference checks and screening of the prospective employee's credentials are conducted prior to recruitment.

Regulatory risk

We require our employees to follow a clear procedure to ensure that all the regulatory clearances are obtained for the underlying projects before providing any types of financial support to such projects. Any communication received by us, including legal notices, customer letters, banks communications, regulatory notices or orders are promptly recorded and forwarded to the relevant departments who are required to process such communication in a timely manner. This process is managed by our in-house regulatory compliance team.

Fraud and anti-money laundering transactions

At the time of appraisal of a loan or a business proposal, we review the underlying documents from KYC as well as money laundering and fraud prevention perspectives. Our fraud control unit also conducts spot checks or a random basis. We also ensure the preservation of records in compliance with the Prevention of Money Laundering Act of 2002.

COMPETITION

We face competition in the lending business from domestic and international banks as well as other NBFCs.

SALES AND MARKETING

Our customer-oriented approach forms the basis of all our marketing activities and communications. Our marketing strategy revolves around the following:

- Make our brand relevant to the target audience; and
- Strengthen relationships with builders through optimum presence in and around our pre -approved residential projects.

We also rely on DSAs, referrals and walk-ins across our network; events and exhibitions and corporate tie-ups to increase sales and generate leads.

We also have a dedicated common call-centre with that of our parent IHFL to address enquires generated from various mediums and also resolve customer queries.

TECHNOLOGY

We realize the importance of information technology and use both internally developed and externally subscribed tools to improve our overall productivity. All our branches are connected through the Virtual Private Network to the central servers located at Mumbai and Noida data centres. Data is processed and analysed using various tools, enabling us to efficiently and cost-effectively manage our nationwide network of branches and appropriately monitor various risks.

Our IT systems have the capability of end-to-end customer data capture, computation of income, collateral data capture and repayment management. Loan approval is controlled by the loan application system and the monthly analytics reports, including through-the-door and credit information tracking to ensure risk management control and compliance. For our employees, many key workflow processes are accessible through hand-held devices and mobile apps.

We have also implemented security tools to ensure data security. We have obtained ISO 27001:2013 certification in respect of our information security management systems.

CUSTOMER SERVICE AND GRIEVANCE REDRESSAL PROCESSES

We have implemented a grievance redressal policy and a well-defined structured system to resolve any issues faced by our customers in a just, fair and timely manner.

Customers can register their grievances through email, telephone or complaint books available at all our offices. Customer complaints are promptly recorded in a complaint register, after which our representatives contact the client in order to find out more facts about the complaint and resolve it on an urgent basis. The relevant office where the complaint was lodged is primarily responsible for ensuring that the complaint is resolved to the customer's satisfaction. All escalations are further sent to our Head Office for guidance/ resolution. All complaints are acknowledged within three working days from receipt and are endeavored to be resolved within 30 days of receipt.

INSURANCE

We currently maintain insurance coverage against fire and special perils, burglary, cash in safe, cash in transit, electronic equipment machinery breakdown and damage to portable equipment at our branch offices located across the country. We also maintain a director's and officers' liability policy covering, among others, the directors, officers and employees of the Company ("**Directors and Officers**") against loss incurred by such Directors and Officers or on their behalf in respect of any claim against the Directors and Officers. The policy also covers costs incurred in availing the services of public relations firms in regard to any claim against our directors in their capacity as directors of another company, provided that such directorship was held at the request of the Company.

For a discussion of certain risks relating to our insurance coverage, please see "*Risk Factors – Our Company's insurance coverage may not adequately protect our Company against losses which could adversely affect our Company's business, financial condition and results of operations*" on page 33 of this Draft Shelf Prospectus.

INTELLECTUAL PROPERTY

We conduct our operations under the "Indiabulls" brand name. The "Indiabulls" trademark is registered in the name of our Promoter, IHFL. We use "Indiabulls" trademark as a 'common law licensee or permissive user' under implied permission and consent of IHFL. See also "*Risk Factors – We may be unable to protect our logos, brand names and other intellectual property rights which are critical to our business*." on page 34 of this Draft Shelf Prospectus.

LEGAL PROCEEDINGS

We are party to various legal proceedings which arise primarily in the ordinary course of our operations. For further details, please see "*Outstanding Litigations and Defaults*" on page 169 of this Draft Shelf Prospectus.

PROPERTY

Our registered office is located at M-62 and 63, First Floor, Connaught Place, New Delhi – 110 001. Additionally, our other offices are located on leasehold premises.

EMPLOYEES

As of December 31, 2020, we had a dedicated workforce of 257 employees. Each of our businesses are led by senior executives who are generally, also responsible for certain organisational functions at the group level. Our senior managers have diverse experience in various financial services and functions related to our business. We have instituted training and mentorship programs for our junior and mid-management employees and we intend to continue investing in recruiting, training and maintaining a rewarding work environment. We have recruited and retained talented employees from a variety of backgrounds, including credit evaluation, risk management, treasury, technology and marketing. We will continue to attract talented employees through our recruitment and retention initiatives. In addition to our full-time employees, we have arrangements with various contractors for contract labour services including for our housekeeping and manned security requirements. Our performance appraisal system helps to analyse the qualitative aspects of our business and managerial dimensions of our employees.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Our Company focuses its CSR efforts on such areas, where it could provide maximum benefits to the society at large. These are, improving awareness of communities towards Arts and Cultural Development etc. The Company will continue to engage with stakeholders including experts, NGOs, professional bodies / forums and the government and would take up such CSR activities in line with the government's intent, which are important for the society at large. The Company may also undertake such other CSR projects, where societal needs are high or in special situations (natural disasters etc.) For the financial year ended March 31, 2020, our expenditure towards CSR initiatives was ₹ 7.15 crores.

HISTORY AND OTHER CORPORATE MATTERS

Our Company was incorporated as Indiabulls Commercial Credit Limited under the Companies Act, 1956 on July 7, 2006 with the Registrar of Companies, National Capital Territory of Delhi and Haryana ("**ROC**") and received a certificate for commencement of business from the ROC on February 20, 2008. The name of the Company was changed to Indiabulls Infrastructure Credit Limited on January 21, 2009. Subsequently the name of the Company was changed to Indiabulls Commercial Credit Limited on March 12, 2015. The RBI had issued certificate of registration No. N-14.03136 on February 12, 2008 to carry on the business of non -banking financial institution without accepting public deposit. Pursuant to change of name of the Company from Indiabulls Commercial Credit Limited to Indiabulls Infrastructure Credit Limited, the RBI issued fresh certificate of registration in the name of Indiabulls Infrastructure Credit Limited. Subsequently with the change in the name of the Company from Indiabulls Infrastructure Credit Limited to Indiabulls Commercial Credit Limited, RBI issued fresh certificate of registration no. N-14.03136 dated April 16, 2015, in lieu of earlier certificate of registration no. N-14.03136 dated February 12, 2008. Our Company entered into scheme of arrangement under sections 391-394 of the Companies Act, 1956 between IFCPL (the transferor company), Indiabulls Commercial Credit Limited (the transferee company) and their respective shareholders and creditors, which had been approved by Hon'ble High Court of Delhi, New Delhi on March 15, 2016.

Our Registered Office is located at M - 62 and 63, First Floor, Connaught Place, New Delhi - 110001. We are registered with the Registrar of Companies, NCT of Delhi and Haryana under CIN U65923DL2006PLC150632.

Change in registered office of our Company

The registered office of our Company was shifted from F-60, Malhotra Building, 2nd Floor, Connaught Place, New Delhi – 110 001 to M – 62 and 63, First Floor, Connaught Place, New Delhi – 110 001 with effect from October 1, 2013.

Main objects of our Company

The main objects of our Company as contained in our Memorandum of Association are:

1. To carry out infrastructure lending activities by providing credit facilities to different infrastructure projects.

2. To carry on the business of financing, leasing, instalment financing, refinancing, money lending, corporate lending, consortium finance with other institutions or bodies corporate for development of infrastructure projects including construction, power, telecommunication, roads, ports etc.

3. To receive funds, deposits and investments from the public, Government agencies, financial institutions and corporate bodies; grant advances and loans; provide consultancy services for infrastructure projects, conduct advisory services related to banking activities, project financing, funding of mergers and acquisition activities; fund management and activities related to money market operations.

4. To hold investments in various step-down subsidiaries for investing, acquiring, holding, purchasing or procuring equity shares, debentures, bonds, mortgages, obligations, securities of any kind issued or guaranteed by the company.

5. To act as financial consultants, investment, marketing and management consultants/advisors and provide consultancy in various fields including general administrative, secretarial, managerial, commercial, banking, financial, economic, public relations, personal and corporate finance and direct and indirect taxation and other levies.

6. To carry on the business of portfolio management services, investment advisory services; custodial services; asset management services; leasing and hire purchase; mutual fund services and to act as brokers of real estate and financial instruments.

7. To carry on the business of long term Finance or otherwise finance for Industrial or agricultural development, development of infrastructure facility, development of Housing in India or for constructions or purchase of residential houses/ residential projects in India.

8. To provide finance to any person or persons, co-operative society, association of persons, body of individuals, companies, institutions, firms, builders, developers, contractors and others with or without any security, for leasing, financing for acquisition of all types of vehicles including trucks, buses, taxis, auto rickshaws , motorize vehicles for earth moving, mining, road laying, fire brigade, ambulance, aircraft, water transport (boat, steamer, ship, oil tanker) etc. for commercial and/or for personal uses and/or for construction, erection, building, repair, remodelling, development, improvement, purchase of houses, apartments, flats, bungalows, rooms, shops, offices, commercial buildings, SEZs, townships and/or other buildings and real estate of all descriptions or convenience there on and/or other related activities.

9. (a) To engage in the business of the insurance intermediation and acting as corporate agent, composite insurance agent, insurance broker, insurance consultant etc. for the purpose of soliciting or procuring life or general insurance business for clients and insurance companies.
(b) To act as corporate insurance agent for life insurers and general insurers and procure business for them.
(c) To act as agents for insurance products such as life, pension, fire, motor and other products and to carry on the business of insurance either directly or as an insurance agent, insurance broker or otherwise.

10. To carry on the business of financing, borrowing, lending, advancing money or money's worth or to give credit to such persons / bodies / firms / customers and others having dealt with the Company on such terms, as may be expedient.

Key Milestones and Major Events

Date/Period	Activities
July 7, 2006	Incorporated as public limited company under the Companies Act, 1956, as a wholly owned subsidiary of erstwhile Indiabulls Financial Services Limited now merged with Indiabulls Housing Finance Limited.
February 12, 2008	Registered with RBI *vide* registration no. N-14.03136 to carry on the business of non -banking financial institution without accepting public deposit.
February 20, 2008	Our Company obtained the certificate of commencement of business
January 21, 2009	The name of the Company was changed to Indiabulls Infrastructure Credit Limited.
March 12, 2015	The name of the Company was changed to Indiabulls Commercial Credit Limited.
April 16, 2015	RBI had issued fresh certificate of registration no. N-14.03136 dated April 16, 2015, in lieu of earlier certificate of registration no. N- 14.03136 dated 12.02.2008 issued to Indiabulls Commercial Credit Limited by RBI, New Delhi.
March 31, 2016	Pursuant to order dated March 15, 2016, ("**Order**") the scheme of arrangement under sections 391-394 of the Companies Act, 1956 between Indiabulls Finance Company Private Limited (the transferor company), Indiabulls Commercial Credit Limited (the transferee company) and their respective shareholders and creditors, was approved by Hon'ble High Court of Delhi, New Delhi. The Order was filed with the office of Registrar of Companies, Delhi and Haryana on March 31, 2016, which is the effective date.

Key terms of our Material Agreements

Our Company has not entered into any material agreement other than in the ordinary course of business.

Our Subsidiary

As on the date of this Draft Shelf Prospectus, our Company has the following subsidiary:

S. No.	Name of the Entity	Equity Holding (%)	Registered Address	Activity undertaken by the entity
Subsidiary				
1.	Indiabulls Asset Management Mauritius*	100	C/o Citco (Mauritius) Limited, 4th Floor, Tower A, 1 Cyber	• To act as collective investment schemes manager under the

S. No.	Name of the Entity	Equity Holding (%)	Registered Address	Activity undertaken by the entity
Subsidiary				
			City Ebene, Republic of Mauritius	provisions of Securities Act, 2005 and Securities (Collective Investment Schemes and Close-end Funds) Regulations, 2008 and other related businesses. • To engage in global business as permitted under the Financial Services Act, 2007 and any other laws for the time being in force of Republic of Mauritius; and other related business.

**Indiabulls Asset Management had voluntarily filed an application with the Registrar of Companies, Mauritius on November 25, 2019 for winding-up of the company's operation and liquidation. As on the date of this Draft Shelf Prospectus the application for winding up of the company is currently under process.*

REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. Taxation statutes such as the Income Tax Act, Central Sales Tax Act, 1956 and applicable local sales tax statutes, labour regulations such as the Employees State Insurance Act, 1948 and the Employees Provident Fund and Miscellaneous Act, 1952, and other miscellaneous regulations such as the Trade and Merchandise Marks Act, 1958 and applicable Shops and Establishments statutes apply to us as they do to any other Indian company and therefore have not been detailed below. The information detailed below has been obtained from various legislations, including rules and regulations promulgated by regulatory bodies, and the byelaws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the current provisions of Indian law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

For the purposes of this section, references to any legislation, act, regulation, rule, guideline, policy, circular, notification or clarification are to such legislation, act, regulation, rule, guideline, policy, circular, notification or clarification as amended from time to time.

Investors shall carefully consider the information described below, together with the information set out in other sections of this Draft Shelf Prospectus including the financial statements before making an investment decision relating to the NCDs, as any changes in the regulations and policies could have a material adverse effect on our Company's business.

The major regulations governing our Company are detailed below:

We are a non-deposit taking (which does not accept public deposits), systemically important, NBFC. As such, our business activities are regulated by RBI Regulations applicable to non-public deposit accepting NBFCs ("**NBFCND**").

As at September 1, 2016, the RBI issued an updated Master Direction - Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, (as updated from time to time) applicable to all NBFC-NDSI's.

Regulations governing NBFCs

As per the RBI Act, a financial institution has been defined as a company which includes a non-banking institution carrying on as its business or part of its business the financing activities, whether by way of making loans or advances or otherwise, of any activity, other than its own and it is engaged in the activities of loans and advances, acquisition of shares/stock/bonds/debentures/securities issued by the Government of India or other local authorities or other marketable securities of like nature, leasing, hire-purchase, insurance business, chit business but does not include any institution whose principal business is that of carrying out any agricultural or industrial activities or the sale/purchase/construction of immovable property.

As per prescribed law any company that carries on the business of a non-banking financial institution as its 'principal business' is to be treated as an NBFC. The term 'principal business' has not been defined in any statute, however, RBI has clarified through a press release (Ref. No. 1998-99/1269) issued in 1999, that in order to identify a particular company as an NBFC, it will consider both the assets and the income pattern as evidenced from the last audited balance sheet of the company to decide a company's principal business. The company will be treated as an NBFC if its financial assets are more than 50 percent of its total assets (netted off by intangible assets) and income from financial assets should be more than 50 percent of the gross income. Both these tests are required to be satisfied in order to determine the principal business of a company.

Every NBFC is required to submit to the RBI a certificate, from its statutory auditor within one month from the date of finalisation of the balance sheet and in any case, not later than December 30 of that year, stating that it is engaged in the business of non-banking financial institution requiring it to hold a certificate of registration.

NBFCs are primarily governed by the RBI Act, the Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, Peer to Peer Lending Platform (Reserve Bank) Directions, 2017 ("**Peer to Peer Regulations**"), Reserve Bank Commercial Paper

Directions, 2017 (“**Commercial Papers Directions**”) and the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016. In addition to these regulations, NBFCs are also governed by various circulars, notifications, guidelines and directions issued by the RBI from time to time.

Although by definition, NBFCs are permitted to operate in similar sphere of activities as banks, there are a few important and key differences. The most important distinctions are:

- An NBFC cannot accept deposits repayable on demand – in other words, NBFCs can only accept fixed term deposits. Thus, NBFCs are not permitted to issue negotiable instruments, such as cheques which are payable on demand; and
- NBFCs are not allowed to deal in foreign exchange, even if they specifically apply to the RBI for approval in this regard.

Section 45-IA of the RBI Act makes it mandatory for every NBFC to get itself registered with the Reserve Bank in order to be able to commence any of the aforementioned activities.

Further, an NBFC may be registered as a deposit accepting NBFC (“**NBFC-D**”) or as a non-deposit accepting NBFC (“**NBFC-ND**”). NBFCs registered with RBI are further classified as:

- Asset finance companies.
- Investment companies.
- Systemically Important Core Investment Company.
- Loan companies and/or
- Infrastructure finance companies.
- Infrastructure debt fund - NBFCs.
- NBFC - micro finance institutions.
- NBFC –Factors.
- Mortgage guarantee companies.
- NBFC- non-operative financial holding company, and
- Non-Banking Financial Company-Peer to Peer Lending Platform.

RBI, by way of circular bearing reference number RBI/2018-19/130 DNBR (PD) CC.No.097/03.10.001/2018-19 dated February 22, 2019, has harmonised different categories of NBFCs into fewer ones, based on the principle of regulation by activity rather than regulation by entity. Accordingly, RBI has merged the three categories of NBFCs viz. Asset Finance Companies (AFC), Loan Companies (LCs) and Investment Companies (ICs) into a new category called NBFC - Investment and Credit Company (NBFC-ICC). Further, differential regulations relating to bank’s exposure to the three categories of NBFCs viz., AFCs, LCs and ICs were harmonised. Further, a deposit taking NBFC-ICC shall invest in unquoted shares of another company which is not a subsidiary company or a company in the same group of the NBFC, an amount not exceeding twenty per cent of its owned fund

Our Company has been classified as an NBFC-ND-SI.

Systemically Important NBFC-NDs

As per the NBFC Master Directions, the revised threshold for defining systemic significance for NBFCs-ND in the light of the overall increase in the growth of the NBFC sector. NBFCs-ND-SI will henceforth be those NBFCs-ND which have asset size of ₹500 crores and above as per the last audited balance sheet. Moreover, as per this amendment, all NBFCs-ND with assets of ₹500 crores and above, irrespective of whether they have accessed public funds or not, shall comply with prudential regulations as applicable to NBFCs-ND-SI. NBFCs- ND-SI is required to comply with conduct of business regulations if customer interface exists. All systemically important NBFCs are required to maintain a minimum Capital to Risk-Weighted Assets Ratio of 15%.

Rating of NBFCs

Pursuant to the RBI circular DNBS (PD) CC. No.134/03.10.001/2008-2009 dated February 04, 2009, all NBFCs with an asset size of ₹100 crores are required to, as per RBI instructions to, furnish information about downgrading or upgrading of the assigned rating of any financial product issued by them within 15 days of a change in rating.

Prudential Regulations

The RBI Master Circular on Non-Banking Financial Company – Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (“**ND-SI-Directions**”), amongst other requirements prescribe guidelines on NBFC-ND regarding income recognition, asset classification, provisioning requirements, constitution of audit committee, capital adequacy requirements, concentration of credit/investment and norms relating to infrastructure loans. The ND-SI-Directions state that the credit/ investment norms shall not apply to a systemically important non-banking financial company not accessing public funds in India, either directly or indirectly, and not issuing guarantees.

Corporate governance norms

As per the ND-SI-Directions, all NBFC-ND-SI are required to adhere to certain corporate governance norms, including constitution of an audit committee, a nomination committee, an asset liability management committee and risk management committee. NBFCs are required to furnish to the RBI a quarterly statement on change of directors, and a certificate from the managing director of the NBFC that fit and proper criteria in selection of the directors has been followed. Further, all applicable NBFCs shall have to frame their internal guidelines on corporate governance with the approval of its board of directors, enhancing the scope of the guidelines without sacrificing the spirit underlying the above guidelines and it shall be published on the company's web-site, if any, for the information of various stakeholders constitution of a nomination committee, a risk management committee and certain other norms in connection with disclosure, transparency and connected lending has also been prescribed in the RBI Master Circular. Further, RBI vide notification dated November 10, 2014 has mandated the Audit Committee to ensure that an information systems audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the company. RBI has also mandated the NBFCs to have a policy to ascertain the ‘fit and proper criteria’ at the time of appointment of directors and on a continuing basis.

Provisioning Requirements

An NBFC-ND, after taking into account the time lag between an account becoming non-performing, its recognition, the realisation of the security and erosion overtime in the value of the security charged, shall make provisions against sub-standard assets, doubtful assets and loss assets in the manner provided for in the Prudential Norms Directions.

In the interests of counter cyclicality and so as to ensure that NBFCs create a financial buffer to protect them from the effect of economic downturns, RBI vide their circular no. DNBS.PD.CC. No.207/ 03.02.002 /2010-11 dated January 17, 2011, introduced provisioning for Standard Assets by all NBFCs. NBFCs are required to make a general provision at 0.25% of the outstanding standard assets. RBI vide their circular no. DNBR (PD) CC No. 037/03.01.001/2014-15 dated June 11, 2015 raised the provision for standard assets to 0.40% to be met by March 2018. The provisions on standard assets are not reckoned for arriving at net NPAs. The provisions towards Standard Assets are not needed to be netted from gross advances but shown separately as ‘Contingent Provisions against Standard Assets’ in the balance sheet. NBFCs are allowed to include the ‘General Provisions on Standard Assets’ in Tier II capital which together with other ‘general provisions/ loss reserves’ will be admitted as Tier II capital only up to a maximum of 1.25% of the total risk-weighted assets.

Capital Requirements

Every systemically important NBFC-ND is required to maintain, with effect from April 1, 2007, a minimum capital ratio consisting of Tier I and Tier II capital of not less than 15% of its aggregate risk weighted assets on balance sheet and of risk adjusted value of off-balance sheet items is required to be maintained. Also, the total of the Tier II capital of a NBFC-MFI shall not exceed 100% of the Tier I capital.

Tier-I Capital, has been defined in the ND-SI Directions as, owned funds as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 10% of the owned fund and perpetual debt instruments issued by a systemically important NBFC-ND in each year to the extent it does not exceed 15% of the aggregate Tier I capital of such company as on March 31 of the previous accounting year.

Owned Funds, has been defined in the ND-SI Directions as, paid-up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account; capital reserve representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of assets; less accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any.

Tier - II Capital has been defined in the ND-SI Directions, includes the following (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions (including that for standard assets) and loss reserves to the extent these are not attributable to actual diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one-and-one-fourth percent of risk weighted assets; (d) hybrid debt capital instruments; and (e) subordinated debt to the extent the aggregate does not exceed Tier - I capital; and (f) perpetual debt instrument issued by a systemically important NBFC-ND, which is in excess of what qualifies for Tier I Capital to the extent that the aggregate Tier-II capital does not exceed 15% of the Tier -I capital.

Hybrid debt means, capital instrument, which possess certain characteristics of equity as well as debt.

Subordinated debt means a fully paid up capital instrument, which is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of the NBFC. The book value of such instrument is subjected to discounting as prescribed.

Exposure Norms

In order to ensure better risk management and avoidance of concentration of credit risks, the RBI has, in terms of the Master Direction, prescribed credit exposure limits for financial institutions in respect of their lending to single/ group borrowers. Credit exposure to a single borrower shall not exceed 15% of the owned funds of the systemically important NBFC-ND, while the credit exposure to a single group of borrowers shall not exceed 25% of the owned funds of the systemically important NBFC-ND. Further, the systemically important NBFC-ND may not invest in the shares of another company exceeding 15% of its owned funds, and in the shares of a single group of companies exceeding 25% of its owned funds. However, this prescribed ceiling shall not be applicable on a NBFC-ND-SI for investments in the equity capital of an insurance company to the extent specifically permitted by the RBI. Any NBFC-ND-SI not accessing public funds, either directly or indirectly may make an application to the RBI for modifications in the prescribed ceilings Any systemically important NBFC-ND classified as asset finance company by RBI, may in exceptional circumstances, exceed the above ceilings by 5% of its owned fund, with the approval of its Board of Directors. The loans and investments of the systemically important NBFC-ND taken together may not exceed 25% of its owned funds to or in single party and 40% of its owned funds to or in single group of parties. A systemically important ND-NBFC may, make an application to the RBI for modification in the prescribed ceilings. Further, NBFC ND SI may exceed the concentration of credit/investment norms, by 5% for any single party and by 10% for a single group of parties, if the additional exposure is on account of infrastructure loan and/or investment.

Further, RBI vide circular bearing reference number RBI/2018-19/130 DNBR (PD) CC.No.097/03.10.001/2018- 19 dated February 22, 2019, has harmonised different categories of NBFCs into fewer ones, based on the principle of regulation by activity rather than regulation by entity. Accordingly, RBI has merged the three categories of NBFCs viz. Asset Finance Companies (AFC), Loan Companies (LCs) and Investment Companies (ICs) into a new category called NBFC - Investment and Credit Company (NBFC-ICC). Further differential regulations relating to bank's exposure to the three categories of NBFCs viz., AFCs, LCs and ICs were harmonised. Further, a deposit taking NBFC-ICC shall invest in unquoted shares of another company which is not a subsidiary company or a company in the same group of the NBFC, an amount not exceeding twenty per cent of its owned fund.

Asset Classification

The Prudential Norms Directions require that every NBFC shall, after taking into account the degree of well-defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes:

- Standard assets;
- Sub-standard Assets;
- Doubtful Assets; and
- Loss assets

Further, such class of assets would not be entitled to be upgraded merely as a result of rescheduling, unless it satisfies the conditions required for such upgradation. At present every NBFC is required to make a provision for standard assets at 0.40%.

Other stipulations

All NBFCs are required to frame a policy for demand and call loan that includes provisions on the cut-off date for recalling the loans, the rate of interest, periodicity of such interest and periodical reviews of such performance.

The prudential norms also specifically prohibit NBFCs from lending against its own shares.

Net Owned Fund

Section 45-IA of the RBI Act provides that to carry on the business of a NBFC, an entity would have to register as an NBFC with the RBI and would be required to have a minimum net owned fund of ₹5 crores. For this purpose, the RBI Act has defined "net owned fund" to mean:

Net Owned Fund - The aggregate of the paid-up equity capital and free reserves as disclosed in the latest balance sheet of the company, after deducting (i) accumulated balance of losses, (ii) deferred revenue expenditure, (iii) deferred tax asset (net); and (iv) other intangible assets; and further reduced by the amounts representing, (i) investment by such companies in shares of

(i) its subsidiaries, (ii) companies in the same group, (iii) other NBFCs; and

(ii) the book value of debentures, bonds, outstanding loans and advances (including hire purchase and lease finance) made to, and deposits with (i) subsidiaries of such companies; and (ii) companies in the same group, to the extent such amount exceeds 10% of (a) above.

Further, in accordance with RBI Notification No DNBR.007/CGM (CDS) 2015 dated March 27, 2015 which provides that a non-banking financial company holding a certificate of registration issued by the RBI and having net owned fund of less than ₹2 crores may continue to carry on the business of nonbanking financial institution, if such company achieves net owned fund of:
(i) ₹1 crores before April 1, 2016; and
(ii) ₹2 crores before April 1, 2017

Reserve Fund

In addition to the above, Section 45-IC of the RBI Act requires NBFCs to create a reserve fund and transfer therein a sum of not less than 20% of its net profits earned annually before declaration of dividend. Such a fund is to be created by every NBFC irrespective of whether it is a ND NBFC or not. Such sum cannot be appropriated by the NBFC except for the purpose as may be specified by the RBI from time to time and every such appropriation is required to be reported to the RBI within 21 days from the date of such appropriation.

Maintenance of liquid assets

The RBI through notification dated January 31, 1998, as amended has prescribed that every NBFC shall invest and continue to invest in unencumbered approved securities valued at a price not exceeding the current market price of such securities an amount which shall, at the close of business on any day be not less than 10% in approved securities and the remaining in unencumbered term deposits in any scheduled commercial bank; the aggregate of which shall not be less than 15% of the public deposit outstanding at the last working day of the second preceding quarter.

NBFCs such as the Company, which do not accept public deposits, are subject to lesser degree of regulation as compared to a NBFC-D and are governed by the RBI's Non- Deposit Accepting Companies Directions.

An NBFC-ND is required to inform the RBI of any change in the address, telephone no's, etc. of its Registered Office, names and addresses of its directors/auditors, names and designations of its principal officers, the specimen signatures of its authorised signatories, within one month from the occurrence of such an event. Further, an NBFCND would need to ensure that its registration with the RBI remains current.

All NBFCs (whether accepting public deposits or not) having an asset base of ₹100 crores or more or holding public deposits of ₹20 crores or more (irrespective of asset size) as per their last audited balance sheet are required to comply with the RBI Guidelines for an Asset-Liability Management System.

Similarly, all NBFCs are required to comply with "Know Your Customer Guidelines - Anti Money Laundering Standards" issued by the RBI, with suitable modifications depending upon the activity undertaken by the NBFC concerned.

*Reserve Bank of India (Know Your Customer (KYC)) Master Directions, 2016 dated February 25, 2016, as amended ("**RBI KYC Directions**")*

The RBI KYC Directions are applicable to every entity regulated by the RBI, specifically, scheduled commercial banks, regional rural banks, local area banks, primary (urban) co-operative banks, state and central co-operative banks, all India financial institutions, NBFCs, miscellaneous non-banking companies and residuary non-banking companies, amongst others. In terms of the RBI KYC Directions, every entity regulated thereunder is required to formulate a KYC policy which is duly approved by the board of directors of such entity or a duly constituted committee thereof. The KYC policy formulated in terms of the RBI KYC Directions is required to include four key elements, they being customer acceptance policy, risk management, customer identification procedures, and monitoring of transactions. It is advised that all NBFC'S adopt the same with suitable modifications depending upon the activity undertaken by them and ensure that a proper policy framework of anti-money laundering measures is put in place. The RBI KYC Directions provide for a simplified procedure for opening accounts by NBFCs. It also provides for an enhanced and simplified due diligence procedure. It has prescribed detailed instructions in relation to, inter alia, the due diligence of customers, record management, and reporting requirements to Financial Intelligence Unit – India. The RBI KYC Directions have also issued instructions on sharing of information while ensuring secrecy and confidentiality of information held by Banks and NBFCs. The regulated entities must also adhere to the reporting requirements under Foreign Account Tax Compliance Act and Common Reporting Standards. The RBI KYC Directions also require the regulated entities to ensure compliance with the requirements/obligations under international agreements. The regulated entities must also pay adequate attention to any money-laundering and financing of terrorism threats that may arise from new or developing technologies and ensure that appropriate KYC procedures issued from time to time are duly applied before introducing new products/services/technologies. The RBI KYC Directions were updated on 20 April 2018 to enhance the disclosure requirements under the Prevention of Money-Laundering Act, 2002 and in accordance with the Prevention of Money-Laundering Rules vide Gazette Notification GSR 538 (E) dated June 1, 2017 and the final judgment of the Supreme Court in the case of Justice K.S. Puttaswamy (Retd.) & Another v. Union of India (Writ Petition (Civil) 494/2012). The Directions were updated to accommodate authentication as per the AADHAR (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act, 2016 and use of an Indian resident's Aadhar number as a document for the purposes of fulfilling KYC requirement.

The RBI KYC Directions were further updated on January 9, 2020 with a view to leveraging the digital channels for customer identification process by regulated entities, whereby the RBI has decided to permit video-based customer identification process as a consent based alternate method of establishing the customer's identity, for customer onboarding.

Accounting Standards and Accounting policies

Subject to the changes in Indian Accounting Standards ("**IAS**") and regulatory environment applicable to a NBFC we may change our accounting policies in the future and it might not always be possible to determine the effect on the statement of profit and loss of these changes in each of the accounting years preceding the change. In such cases our profit/loss for the preceding years might not be strictly comparable with the profit/loss for the period for which such accounting policy changes are being made. The Ministry of Corporate Affairs has amended the existing IAS vide Companies (Indian Accounting Standards) (Amendment) Rules, 2017 on March 17, 2017 and the same is applicable to our Company from April 1, 2018.

Master Direction dated September 29, 2016 on Monitoring of Frauds in NBFCs (Reserve Bank) Directions, 2016

All NBFC-ND-SIs shall put in place a reporting system for frauds and fix staff accountability in respect of delays in reporting of fraud cases to the RBI. An NBFC-ND-SI is required to report all cases of fraud of ₹1 lakhs and above,

and if the fraud is of ₹1 crores or above, the report should be sent in the prescribed format within three weeks from the date of detection thereof. The NBFC-ND-SI shall also report cases of fraud by unscrupulous borrowers and cases of attempted fraud.

Reporting by Statutory Auditor

The statutory auditor of the NBFC-ND is required to submit to the Board of Directors of the company along with the statutory audit report, a special report certifying that the Directors have passed the requisite resolution mentioned above, not accepted any public deposits during the year and has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it. In the event of non-compliance, the statutory auditor is required to directly report the same to the RBI.

Master Direction – Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016

In addition to the report made by the auditor under Section 143 of the Companies Act, 2013 on the accounts of an NBFC-ND-SI, the auditor shall make a separate report to the Board of Directors of the company on inter alia examination of validity of certificate of registration obtained from the RBI, whether the NBFC is entitled to continue to hold such certificate of registration in terms of its Principal Business Criteria (financial asset / income pattern) as on March 31 of the applicable year, whether the NBFC is meeting the required net owned fund requirement, whether the board of directors has passed a resolution for non-acceptance of public deposits, whether the company has accepted any public deposits during the applicable year, whether the company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it, whether the capital adequacy ratio as disclosed in the return submitted to the Bank in form NBS- 7, has been correctly arrived at and whether such ratio is in compliance with the minimum CRAR prescribed by the Bank, whether the company has furnished to the Bank the annual statement of capital funds, risk assets/exposures and risk asset ratio (NBS-7) within the stipulated period, and whether the non-banking financial company has been correctly classified as NBFC Micro Finance Institutions (MFI).

Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016

All NBFCs are required to put in place a reporting system for filing various returns with the RBI. An NBFC-ND-SI is required to file on a quarterly basis a return on important financial parameters, including components of assets and liabilities, profit and loss account, exposure to sensitive sectors etc., NBS-7 on prudential norms on a quarterly basis, multiple returns on asset-liability management to address concerns regarding inter alia asset liability mismatches and interest rate risk, quarterly report on branch information, and Central Repository of Information on Large Credits ("**CRILC**") on a quarterly basis as well as all Special Mention Accounts-2 ("**SMA-2**") status on a weekly basis to facilitate early recognition of financial distress, prompt steps for resolution and fair recovery for lenders.

Master Direction on Information Technology Framework for the NBFC Sector, 2017

All systemically important NBFCs must implement the security enhancement requirements under the Master Direction with respect to enhancing security of its Information Technology/Information Security Framework ("**IT**") business continuity planning, disaster recovery and management. NBFCs must constitute a IT Strategy Committee and IT Steering Committee and formulate an IT and Information Security Policy in furtherance of the same. Further, a Cyber Crisis Management Plan must be formulated to address cyber intrusions and attacksimplemented by applicable NBFCs by June 2018.

Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs, 2017

With a view to put in place necessary safeguards applicable to outsourcing of activities by NBFCs, the RBI has issued directions on managing risks and code of conduct in outsourcing of financial services by NBFCs ("**Risk Management Directions**"). The Risk Management Directions specify that core management functions like internal auditing, compliance functions, decision making functions such as compliance with KYC norms shall not be outsourced by NBFCs. Further, the Risk Management Directions specify that outsourcing of functions shall not limit its obligations to its customers.

Financing of NBFCs by bank

The RBI has issued guidelines *vide* a circular dated bearing number DBOD No. FSD. BC.46/24.01.028/2006-07 dated December 12, 2006 relating to the financial regulation of systemically important NBFC-NDs and the relationship of banks with such institutions. In particular, these guidelines prohibit banks from lending to NBFCs for the financing of certain activities, such as (i) bill discounting or rediscounting, except where such discounting arises from the sale of commercial vehicles and two wheelers or three wheelers, subject to certain conditions; (ii) unsecured loans or corporate deposits by NBFCs to any company; (iii) investments by NBFCs both of current and long term nature, in any company; (iv) all types of loans and advances by NBFCs to their subsidiaries, group companies/entities; and (v) further lending to individuals for the purpose of subscribing to an initial public offer.

Also, the RBI through its notification bearing number DBR.BP.BC.No.25/21.06.001/2018-19 dated February 22, 2019 it was specified that that exposures to all NBFCs, excluding Core Investment Companies (CICs), will be risk weighted as per the ratings assigned by the rating agencies registered with SEBI and accredited by the RBI, in a manner similar to that of corporates as prescribed under extant RBI guidelines.

Norms for excessive interest rates

In addition, the RBI has introduced *vide* a circular bearing reference number RBI/ 2006-07/ 414 dated May 24, 2007 whereby RBI has requested all NBFCs to put in place appropriate internal principles and procedures in determining interest rates and processing and other charges. In addition to the aforesaid instruction, the RBI has issued a Master Circular on Fair Practices Code dated July 1, 2015 for regulating the rates of interest charged by the NBFCs. These circulars stipulate that the board of each NBFC is required to adopt an interest rate model taking into account the various relevant factors including cost of funds, margin and risk premium. The rate of interest and the approach for gradation of risk and the rationale for charging different rates of interest for different categories of borrowers are required to be disclosed to the borrowers in the application form and expressly communicated in the sanction letter. Further, this is also required to be made available on the NBFCs website or published in newspapers and is required to be updated in the event of any change therein. Further, the rate of interest would have to be an annualised rate so that the borrower is aware of the exact rates that would be charged to the account.

Supervisory Framework

In order to ensure adherence to the regulatory framework by systemically important ND-NBFCs, the RBI has directed such NBFCs to put in place a system for submission of an annual statement of capital funds, and risk asset ratio etc. as at the end of March every year, in a prescribed format. This return is to be submitted electronically within a period of three months from the close of every financial year. Further, a NBFC is required to submit a certificate from its statutory auditor that it is engaged in the business of non-banking financial institution with requirement to hold a certificate of registration under the RBI Act. This certificate is required to be submitted within one month of the date of finalisation of the balance sheet and in any other case not later than December 30 of that particular year. Further, in addition to the auditor's report under Section 143 of the Companies Act, 2013 the auditors are also required to make a separate report to the Board of Directors on certain matters, including correctness of the capital adequacy ratio as disclosed in the return NBS-7 to be filed with the RBI and its compliance with the minimum CRAR, as may be prescribed by the RBI. Where the statement regarding any of the items referred relating to the above, is unfavorable or qualified, or in the opinion of the auditor the company has not complied with the regulations issued by RBI , it shall be the obligation of the auditor to make a report containing the details of such unfavourable or qualified statements and/or about the non-compliance, as the case may be, in respect of the company to the concerned Regional Office of the Department of Non-Banking Supervision of the Bank under whose jurisdiction the registered office of the company is located.

Asset Liability Management

The RBI has prescribed the Guidelines for Asset Liability Management ("**ALM**") System in relation to NBFCs ("**ALM Guidelines**") that are applicable to all NBFCs through a Master Circular on Miscellaneous Instructions to All Non-Banking Financial Companies dated July 1, 2015. As per this Master Circular, the NBFCs (engaged in and classified as equipment leasing, hire purchase finance, loan, investment and residuary non-banking companies) meeting certain criteria, including, an asset base of ₹10,000 lakhs, irrespective of whether they are accepting / holding public deposits or not, or holding public deposits of ₹2,000 lakhs or more (irrespective of the asset size) as per their audited balance sheet as of March 31, 2001, are required to put in place an ALM system. The ALM Guidelines mainly address liquidity and interest rate risks. In case of structural liquidity, the negative gap (i.e. where outflows exceed inflows) in the 1 to 30/31 days' time-bucket should not exceed the prudential limit of 15% of cash outflows of each time-bucket and the cumulative gap of up to one year should not exceed 15% of the cumulative cash outflows of up to one year. In case these limits are exceeded, the measures proposed for bringing the gaps within the limit should be shown by a footnote in the relevant statement.

Foreign Investment Regulations as amended

Foreign investment in Indian securities is regulated through the Consolidated Foreign Direct Investment ("**FDI**") Policy and Foreign Exchange Management Act, 1999 ("**FEMA**"). The government bodies responsible for granting foreign investment approvals are the concerned ministries/ departments of the Government of India and the RBI. The Union Cabinet approved phasing out the Foreign Investment Promotion Board, as provided in the press release dated May 24, 2017. Accordingly, pursuant to the office memorandum dated June 5, 2017, issued by the Department of Economic Affairs, Ministry of Finance, approval of foreign investment under the FDI policy has been entrusted to concerned ministries/departments. Subsequently, the Department of Industrial Policy and Promotion ("**DIPP**") issued the Standard Operating Procedure (SOP) for Processing FDI Proposals on June 29, 2017 (the "**SOP**"). The SOP provided a list of the competent authorities for granting approval for foreign investment for sectors/activities requiring Government approval. For sectors or activities that are currently under automatic route but which required Government approval earlier as per the extant policy during the relevant period, the concerned administrative ministry/department shall act as the competent authority (the "**Competent Authority**") for the grant of post facto approval of foreign investment. In circumstances where there is a doubt as to which department shall act as the Competent Authority, the DIPP shall identify the Competent Authority. The DIPP has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendment to FEMA. In case of any conflict FEMA prevails.

The Consolidated FDI Policy consolidated the policy framework in place effective from October 15, 2020. On January 4, 2018 the RBI released the Master Direction on Foreign Investment in India. Under the approval route, prior approval from the FIPB or RBI is required. FDI for the items/activities that cannot be brought in under the automatic route may be brought in through the approval route. Approvals are accorded on the recommendation of the FIPB, which is chaired by the Secretary, DIPP, with the Union Finance Secretary, Commerce Secretary and other key Secretaries of the Government of India as its members.

As per the sector specific guidelines of the Government of India, 100% FDI/ Non-Resident Indian ("**NRI**") investments are allowed under the automatic route in certain NBFC activities subject to compliance with guidelines of the RBI in this regard.

The Recovery of Debts due to Banks and Financial Institutions Act, 1993 (the "DRT Act")

The DRT Act provides for establishment of the Debts Recovery Tribunals (the "**DRTs**") for expeditious adjudication and recovery of debts due to banks and public financial institutions or to a consortium of banks and public financial institutions. Under the DRT Act, the procedures for recovery of debt have been simplified and time frames have been fixed for speedy disposal of cases. The DRT Act lays down the rules for establishment of DRTs, procedure for making application to the DRTs, powers of the DRTs and modes of recovery of debts determined by DRTs. These include attachment and sale of movable and immovable property of the defendant, arrest of the defendant and defendant's detention in prison and appointment of receiver for management of the movable or immovable properties of the defendant.

The DRT Act also provides that a bank or public financial institution having a claim to recover its debt may join an on going proceeding filed by some other bank or public financial institution against its debtor at any stage of the proceedings before the final order is passed by making an application to the DRT.

On June 7, 2019, the RBI released the Reserve Bank of India (Prudential Framework for Resolution of Stressed Assets) Directions 2019 ("**Prudential Framework**") with a view to providing a framework for early recognition, reporting and time bound resolution of stressed assets, applicable to Scheduled Commercial Banks (excluding Regional Rural Banks), All India Term Financial Institutions (NABARD, NHB, EXIM Bank and SIDBI), Small Finance Banks, NBFC-Ds and NBFC-ND-SIs. With the introduction of the Prudential Framework, all extant instructions on resolution of stressed assets such as Framework for Revitalising Distressed Assets, Corporate Debt Restructuring Scheme, Flexible Structuring of Existing Long Term Project Loans, Strategic Debt Restructuring Scheme, Change in Ownership outside SDR and Scheme for Sustainable Structuring of Stressed Assets shall stand withdrawn with immediate effect. The Joint Lenders' Forum has also been discontinued. Consequently, for the resolution of stressed assets, lenders may hereafter proceed only under the Prudential Framework. Unlike the prior frameworks, it appears that the Prudential Framework is intended to provide a fair amount of flexibility to lenders to use their commercial and economic judgment to put in place a resolution strategy.

The Prevention of Money Laundering Act, 2002 as amended (the "PMLA")

The RBI has issued a Master Circular dated July 1, 2015 to ensure that a proper policy frame work for the PMLA is put into place. The PMLA seeks to prevent money laundering and provides for confiscation of property derived from, or involved in money laundering and for other matters connected therewith or incidental thereto. It extends to all banking companies, financial institutions, including NBFCs and intermediaries. Pursuant to the provisions of PMLA and the RBI guidelines, all NBFCs are advised to appoint a principal officer for internal reporting of suspicious transactions and cash transactions and to maintain a system of proper record (i) for all cash transactions of value of more than ₹10 lakhs; (ii) all series of cash transactions integrally connected to each other which have been valued below ₹10 lakhs where such series of transactions have taken place within one month and the aggregate value of such transaction exceeds ₹10 lakhs. Further, all NBFCs are required to take appropriate steps to evolve a system for proper maintenance and preservation of account information in a manner that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities. Further, NBFCs are also required to maintain for at least ten years from the date of transaction between the NBFCs and the client, all necessary records of transactions, both domestic or international, which will permit reconstruction of individual transactions (including the amounts and types of currency involved if any) so as to provide, if necessary, evidence for prosecution of persons involved in criminal activity.

Additionally, NBFCs should ensure that records pertaining to the identification of their customers and their address are obtained while opening the account and during the course of business relationship, and that the same are properly preserved for at least ten years after the business relationship is ended. The identification records and transaction data is to be made available to the competent authorities upon request.

RBI Notification dated December 3, 2015 titled "Anti-Money Laundering (AML)/ Combating of Financing of Terrorism (CFT) – Standards" states that all regulated entities (including NBFCs) are to comply with the updated FATF Public Statement and document 'Improving Global AML/CFT Compliance: on-going process' as on October 23, 2015.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (the "**SARFAESI Act**") regulates the securitization and reconstruction of financial assets of banks and financial institutions. The SARFAESI Act provides for measures in relation to enforcement of security interests and rights of the secured creditor in case of default.

The RBI has issued guidelines to banks and financial institutions on the process to be followed for sales of financial assets to asset reconstruction companies. These guidelines provide that a bank or a financial institution may sell financial assets to an asset reconstruction company provided the asset is a NPA. A bank or financial institution may sell financial assets only if the borrower has a consortium or multiple banking arrangements and at least 75% by value of the total loans to the borrower are classified as a NPA and at least 75% by the value of the banks and financial institutions in the consortium or multiple banking arrangement agree to the sale. These assets are to be sold on a "without recourse" basis only.

The SARFAESI Act provides for the acquisition of financial assets by securitisation company or reconstruction company from any bank or financial institution on such terms and conditions as may be agreed upon between them. A securitization company or reconstruction company having regard to the guidelines framed by the RBI may, for the purposes of asset reconstruction, provide for measures such as the proper management of the business of the borrower by change in or takeover of the management of the business of the borrower, the sale or lease of a part or whole of the business of the borrower and certain other measures such as rescheduling of payment of debts payable by the borrower and enforcement of security.

Additionally, under the provisions of the SARFAESI Act, any securitization company or reconstruction company may act as an agent for any bank or financial institution for the purpose of recovering its dues from the borrower on payment of such fee or charges as may be mutually agreed between the parties.

Insolvency and Bankruptcy Code, 2016 as amended (the "IB Code")

The IB Code primarily enables time-bound reorganisation and insolvency resolution of debtors. The primary objectives of the IB Code are:

i. to consolidate and amend the laws relating to reorganisation and insolvency resolution of corporate persons, partnership firms and individuals in a time bound manner for maximisation of value of assets of such persons;

ii. to promote entrepreneurship, availability of credit and balance the interests of all the stakeholders, including alteration in the order of priority of payment of Government dues; and

iii. to establish an Insolvency and Bankruptcy Board of India.

The IB Code specifies two different sets of adjudicating authorities to exercise judicial control over the insolvency and liquidation processes:

i. In case of companies, limited liability partnerships and other limited liability entities, National Company Law

Tribunals ("**NCLT**") shall act as the adjudicating authority; and appeals therefrom shall lie with the National Company Law Appellate Tribunal ("**NCLAT**").

ii. In case of individuals and partnerships, Debt Recovery Tribunal ("**DRT**") shall act as the adjudicating authority; and appeals therefrom shall lie with the Debt Recovery Appellate Tribunal ("**DRAT**").

The Supreme Court of India shall have appellate jurisdiction over NCLAT and DRAT. The IB Code governs two corporate insolvency processes, i.e. (i) insolvency resolution; and (ii) liquidation:

i. *Insolvency resolution:* Upon a default by a corporate debtor, a creditor or the debtor itself may initiate insolvency resolution proceedings. The IB Code prescribes a timeline of 180 days for the insolvency resolution process, subject to a single extension of 90 days, during which there shall be a moratorium on the institution or continuation of suits of the debtor, or interference with its assets. During such period, the creditors and the debtor will be expected to negotiate and finalise a resolution plan, with the assistance of insolvency resolution professionals to be appointed by a committee of creditors formed for this purpose. Upon approval of such a plan by the adjudicating authority, the same shall become binding upon the creditors and the debtor.

ii. *Liquidation:* In the event that no insolvency resolution is successfully formulated, or if the adjudicating authority so decides, a liquidation process may be initiated against the debtor. A liquidator is appointed, who takes the assets and properties of the debtor in his custody and verifies claims of creditors, before selling such assets and properties and distributing the proceeds therefrom to creditors.

The bankruptcy of an individual can be initiated by the debtor, the creditors (either jointly or individually) or by any partner of a partnership firm (where the debtor is a firm), only after the failure of the Insolvency Resolution Process (IRP) or non-implementation of repayment plan. The bankruptcy trustee is responsible for administration of the estate of the bankrupt and for distribution of the proceeds on basis of the priority set out in the Code.

In addition, the IB Code establishes and provides for the functioning of the Insolvency and Bankruptcy Board of India ("**IBBI**") which functions as the regulator for matters pertaining to insolvency and bankruptcy. The IBBI exercises a range of legislative, administrative and quasi-judicial functions, *inter alia* in relation to the registration, regulation and monitoring of insolvency professional agencies, insolvency professionals and information utilities; publish information, data, research and studies as may be specified; constitute committees as may be required; and make regulations and guidelines in relation to insolvency and bankruptcy.

During the COVID-19 pandemic, the Code was amended to insert Section 10A, that temporarily suspended Sections 7,9 and 10 for initiation of corporate insolvency resolution process and the Section 66 was also amended subject to 10A. The amendment suspended the filing for insolvency for defaults arising on or after March 25, 2020, till March 2021 for now.

The Companies Act, 2013, as amended (the "Companies Act")

The Companies Act has been notified by the Government of India on August 30, 2013 (the "**Notification**"). Under the Notification, Section 1 of the Companies Act has come into effect and the remaining provisions of the Companies Act have and shall come into force on such dates as the Central Government has notified and shall notify. Section 1 of the Companies Act deals with the commencement and application of the Companies Act and among others sets out the types of companies to which the Companies Act applies. Further the Ministry of Corporate Affairs has by their notifications dated September 12, 2013 and March 26, 2014 notified certain sections of the Companies Act, which have come into force from September 12, 2013 and April 1, 2014.

The Companies Act provides for, among other things, changes to the regulatory framework governing the issue of capital by companies, corporate governance, audit of financial statements, corporate social responsibility, requirements for independent directors, director's liability, class action suits, and the inclusion of women directors on the boards of companies. The Companies Act is complemented by a set of rules that set out the procedure for compliance with the substantive provisions of the Companies Act. As mentioned above, certain provisions of the Companies Act, 2013 have already come into force and the rest shall follow in due course.

Under the Companies Act every company having net worth of ₹500 crores or more, or turnover of ₹1,000 crores or more or a net profit of ₹5 crores or more during the immediately preceding financial year shall constitute a corporate social responsibility committee, which formulate a corporate social responsibility policy. Further, the board of every such company shall ensure that the company spends, in every financial year, at least two percent of the average net profits of the company made during the three immediately preceding financial years in pursuance of its corporate social responsibility policy.

Registration of a charge under the Companies Act 2013

Under the Companies Act 2013, our Company is required to register a charge on its property or assets or any of its undertakings, whether tangible or otherwise by filing the relevant form with the RoC along with the instrument creating this charge within 30 days of its creation by paying a prescribed fee. No charge created by a company will be taken into account by the liquidator or any other creditor unless it is duly registered and a certificate of registration of such charge is given by the Registrar of Companies.

If the particulars of a charge are not filed within the aforesaid period, but filed within a period of 300 days of such creation or modification, in cases of charges created before the commencement of the Companies (Amendment) Act, 2019, or within a period of 60 days, in cases of charges created on or after the commencement of the Companies (Amendment) Act, 2019, an additional fee shall be levied. Further, our Company is required to keep at its registered office a register of charges and enter therein particulars of all the charges registered with the RoC on any of the property, assets or undertakings of our Company as well as particulars of any modification of a charge and satisfaction of charge. The entries in the register of charges of the Company shall be made forthwith after the creation, modification or satisfaction of charge, as the case may be.

Where a charge is registered with the RoC, they will issue a certificate of registration of such charge to the person in whose favour the charge is created.

Laws Relating to Employment

Shops and Establishments legislations in various states

The provisions of various Shops and Establishments legislations, as applicable, regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of *inter-alia* registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

Labour Laws

India has stringent labour related legislations. Our Company is required to comply with various labour laws, including the Minimum Wages Act, 1948, the Payment of Bonus Act, 1965, the Payment of Wages Act, 1936, the Payment of Gratuity Act, 1972 and the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, as may be updated from time to time

With a view to reform the archaic labor laws and to facilitate the ease of doing business in India, the President of India has assented to consolidate 29 central labor laws into four labor codes that are yet to be implemented, namely:

(i) The Code on Wages, 2019;

(ii) The Code on Social Security, 2020;

(iii) The Occupational Safety, Health and Working Conditions Code, 2020; and

(iv) The Industrial Relations Code, 2020.

Laws relating to Intellectual Property

The Trade Marks Act, 1999 and the Indian Copyright Act, 1957 *inter-alia* govern the law in relation to intellectual property, including brand names, trade names and service marks and research works.

In addition to the above, our Company is required to comply with the provisions of the Companies Act, 2013, the Foreign Exchange Management Act, 1999, various tax related legislations and other applicable statutes.

Regulatory measures on account of the COVID-19 pandemic

The RBI has issued circulars, the Statement of Developmental and Regulatory Policies dated May 22, 2020 and Monetary Policy Statement, 2020-2021: Resolution of Monetary Policy Committee dated May 22, 2020 announcing certain additional regulatory measures with an aim to revive growth and mitigate the impact of COVID-19 on business and financial institutions in India, including:

(a) permitting banks to grant a moratorium of six months on all term loan instalments and working capital facilities sanctioned in the form of cash credit/overdraft ("**CC/OD**"), falling due between March 1, 2020 and August 31, 2020, subject to the fulfilment of certain conditions;

(b) permitting the recalculation of 'drawing power' of working capital facilities sanctioned in the form of cash/ credit overdraft facilities by reducing the margins till the extended period, being August 31, 2020, and permitting lending institutions to restore the margins to the original levels by March 31, 2021;

(c) permitting the increase in the bank's exposures to a group of connected counterparties from 25% to 30% of the eligible capital base of the bank, up to June 30, 2021;

(d) deferring the recovery of the interest applied in respect of all working capital facilities sanctioned in the form of cash/credit overdraft facilities during the period from March 1, 2020 to August 31, 2020;

(e) permitting lending institutions to convert the accumulated interest on working capital facilities up to the deferment period (up to August 31, 2020) into a funded interest term loan which shall be repayable not later than the end of the current financial year (being, March 31, 2021);

(f) permitting the lending institutions to exclude the moratorium period wherever granted in respect of term loans as stated in(a) above, from the number of days past-due for the purpose of asset classification under the income recognition and asset classification norms, in respect of accounts classified as standard as on February 29, 2020, even if overdue;

(g) permitting the lending institutions to exclude deferment period on recovery of the interest applied, wherever granted as stated in (d) above, for the determination of out of order status, in respect of working capital facilities sanctioned in the form of CC/OD where the account is classified as standard, including special mention accounts, as on February 29, 2020; and

(h) requiring lending institutions to make general provisions of not less than 10% of the total outstanding of accounts in default but standard as on February 29, 2020 and asset classification benefit is availed, to be phased over two quarters as provided:(i) not less than 5% for the quarter ended March 31, 2020; and (ii) not less than 5% for the quarter ended June 30, 2020, subject to certain adjustments.

Further, RBI has on August 6, 2020 notified the "Resolution framework for COVID-19 related stress" (the "**Resolution Framework**"). Pursuant to the Resolution Framework, RBI has on September 7, 2020, which requires all lending institutions to mandatorily consider certain specified key ratios while finalizing the resolution plans in respect of eligible borrowers (in terms of the Resolution Framework).

OUR MANAGEMENT

Board of Directors

The general supervision, direction and management of our Company, its operations and business are vested in the Board, which exercises its power subject to the Memorandum and Articles of Association of our Company and the requirements of the applicable laws. Our Company currently has six Directors on its Board.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013. At our Company's annual general meeting, one-third of the Directors for the time being who are liable to retire by rotation shall retire from office. A retiring director is eligible for re-election. The quorum for meetings of the Board of Directors is one-third of the total number of Directors, or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-third of the total strength the number of remaining Directors present at the meeting, being not less than two, shall be the quorum.

Out of the six Directors, we have one Non-Executive Chairman, one Managing Director and CEO, two Non-Executive Directors (including a woman director) and two Independent Directors on our Board.

The following table sets forth details regarding the Board as on the date of this Draft Shelf Prospectus:

Name, Address, DIN, Nationality, Occupation, Term and Date of Appointment/Re-Appointment	Age	Designation	Other Directorships
Mr. Ajit Kumar Mittal **Address:** A-403, *Ashok* Garden, Thokarsi Jivraj Road, Shivadi, Mumbai-400015, Maharashtra **DIN:** 02698115 **Nationality:** Indian **Occupation:** Service **Term:** Liable to retire by rotation **Date of appointment:** September 30, 2013 **Date of re-appointment:** August 14, 2017 (Change of designation from Executive Director to Chairman, Non-Executive Director)	61	Chairman and Non-Executive Director	• Yaarii Digital Integrated Services Limited (*Formerly Indiabulls Integrated Services Limited*) • Indiabulls Housing Finance Limited • Indiabulls Trustee Company Limited • Indiabulls Life Insurance Company Limited • Indiabulls Asset Reconstruction Company Limited • Dhani Loans and Services Limited (*Formerly Indiabulls Consumer Finance Limited*) • Transerv Limited
Mr. Rajiv Gandhi **Address:** 104, A-Wing Bolivian Alps, Bhakti Park, Near Imax Theatre,	55	Managing Director and CEO	Nil

Name, Address, DIN, Nationality, Occupation, Term and Date of Appointment/Re-Appointment	Age	Designation	Other Directorships
Wadala East, Mumbai – 400037, Maharashtra, India **DIN:** 09063985 **Occupation:** Service **Date of appointment:** February 15, 2021 **Term:** Five years **Nationality:** Indian			
Mr. Anil Malhan **Address:** 320, E-Space, Narvana Country, Gurgaon-122018, Haryana **DIN:**01542646 **Nationality:** Indian **Occupation:** Service **Term:** Liable to retire by rotation **Date of appointment:** July 7, 2006	48	Non-Executive Director	• Soril Infra Resources Limited • Airmid Aviation Services Limited • Indiabulls Buildcon Limited • Aspire Land Development Private Limited • Indiabulls Collection Agency Limited
Mrs. Priya Jain **Address:** House No. 924, Gordhan Ji Ki Gali, Chouda Rasta, Ward No. 42, Jaipur -302003, Rajasthan **DIN:** 07257863 **Nationality:** Indian **Occupation:** Qualified Professional **Term:** Liable to retire by rotation **Date of appointment:** July 11, 2016	36	Non-Executive Director	• Lorena Builders Limited • Indiabulls General Insurance Limited
Mr. Prem Prakash Mirdha	65	Independent Director	• Soril Infra Resources Limited • Indiabulls Housing Finance Limited

Name, Address, DIN, Nationality, Occupation, Term and Date of Appointment/Re-Appointment	Age	Designation	Other Directorships
Address: Mirdha Farm, Sirsi Road, Jaipur-302012, Rajasthan **DIN:** 01352748 **Nationality:** Indian **Occupation:** Industrialist **Term:** For a period of five years, with effect from March 16, 2020 upto March 15, 2025 **Date of appointment:** March 16, 2015 **Date of re-appointment:** March 16, 2020			• Airmid Aviation Services Limited • Indiabulls Rural Finance Private Limited
Mr. Shamsher Singh Ahlawat **Address:** 96A, Eastern Avenue, Sainik Farm, Khanpur, New Delhi-110062 **DIN:** 00017480 **Nationality:** Indian **Occupation:** Ex-banker **Term:** For a period of five years, with effect from March 16, 2020 upto March 15, 2025 **Date of appointment:** March 16, 2015 **Date of re-appointment:** March 16, 2020	72	Independent Director	• Indiabulls Real Estate Limited • Yaarii Digital Integrated Services Limited (*Formerly Indiabulls Integrated Services Limited*) • Indiabulls Housing Finance Limited • Airmid Aviation Services Limited • Indiabulls Asset Reconstruction Company Limited • Indiabulls Infraestate Limited • Indiabulls Constructions Limited • Lucina Land Development Limited

Brief biographies of our Directors

Mr. Ajit Kumar Mittal, aged 61 years, is a Non-Executive Director and Chairman of the Company. He holds a bachelor's degree in arts and a masters' degree in arts (economics) from Kurukshetra University. He also holds a masters' degree in science (business administration programme) from the University of Illinois, USA.

Mr. Rajiv Gandhi, aged 55 years, is a Managing Director and CEO on our Board. He holds a Master's degree in Business Administration from the Faculty of Management Studies, Mohnalal Sukhadia University, Udaipur. He has over 27 years of work experience accumulated across the industry. He is a founder member of our Company. Prior to joining IBHFL, he was associated with Nicholas Piramal India Limited, Birla Home Finance Limited and Birla Sunlife Insurance Limited.

Mr. Anil Malhan, aged 48 years, is a Non-Executive Director of our Company. He holds a bachelor's degree in Arts from Delhi University and a master's degree in business administration from IMS, Ghaziabad. He has over 22 years of industry experience and brings deep operational knowledge and first-hand experience in shaping the business strategy and operations. During his association with the Indiabulls Group, he has provided leadership and guidance in the areas of administration, regulatory, service industry and projects execution. He also possesses rich and varied experience in the areas of HR, legal, finance and marketing.

Mrs. Priya Jain, aged 36 years, is a Non-Executive Director of our Company. She holds a master's in Commerce from University of Rajasthan. She is a qualified company secretary and is having a rich experience of about 13 years in the field of corporate governance and compliances of various company laws and other related laws.

Mr. Prem Prakash Mirdha, aged 65 years, is an Independent Director of our Company. He is an Industrialist with interests in the cement business. He has over 22 years of rich and varied experience in the areas of administration, finance, regulatory and projects execution. Prior to this, he had a long stint of 11 years with the merchant navy.

Mr. Shamsher Singh Ahlawat, aged 72 years, is an Independent Director of our Company. He holds a bachelor's degree and master's degree in arts from the University of Delhi. He has over 20 years of experience in commercial banking. Previously, he was associated with the State Bank of India in various managerial positions.

Relationship with other Directors

None of the directors of the Company are related to each other.

Confirmations

No Director in our Company is a Director, or is otherwise associated in any manner, with any company that appears in the list of the vanishing companies as maintained by the Ministry of Corporate Affairs, wilful defaulter list maintained by the RBI or Export Credit Guarantee Corporation of India Limited or any other regulatory or governmental authority.

No Director in our Company is, or was, a director of any listed company, which has been or was delisted from any recognised stock exchange, during the term of his/her directorship in such company.

None of our Directors have committed any violation of securities laws in the past and no proceedings in such regard are pending against any of our Directors.

None of our Directors is restrained or prohibited or debarred by the Board from accessing the securities market or dealing in securities in any other manner.

None of our Directors are in default of payment of interest or repayment of principal amount, in respect of debt securities issued to the public, for a period of more than six months.

Compensation of Directors

The Nomination and Remuneration Committee determines and recommends to the Board the compensation to Directors. The Board of Directors or the shareholders, as the case may be, approve the compensation to Directors.

a. The following table sets forth the compensation paid by our Company, to our Whole-time Director for the Fiscal Years, 2020, 2019 and 2018 (excluding the value of retirement benefits and perquisites on employee stock options):

(₹ in million)

Whole-time Director	Total remuneration (including salary and other benefits*)		
	Fiscal 2020	Fiscal 2019	Fiscal 2018
Mr. Ajit Kumar Mittal*	N.A.	N.A.	Nil

**W.e.f. August 14, 2017, Mr. Ajit Kumar Mittal, has relinquished his office of Whole-Time Director of the Company. The Board, and was appointed as Non-Executive Chairman of the Company, with effect from August 14, 2017.*

b. The following table sets forth the compensation paid by our Company, to our Managing Director for the Fiscal Years, 2020, 2019 and 2018 (excluding the value of retirement benefits and perquisites on employee stock options):

(₹ in million)

Managing Director	Total remuneration (including salary and other benefits*)		
	Fiscal 2020	Fiscal 2019	Fiscal 2018
Mr. Ripudaman Bandral	15.14	17.53	11.02*
Mr. Rajiv Gandhi**	N.A.	N.A.	N.A.

**Appointed w.e.f. August 16, 2017.*
***The Board of the Company in its meeting held on February 15, 2021, appointed Mr. Rajiv Gandhi, as a Managing Director and CEO of the Company for five years with effect from February 15, 2021.*

c. The following table sets forth the compensation paid by our Company to our current Non-Executive Directors for Fiscal Years, 2020, 2019 and 2018:

(₹ in million)

Non-Executive Director	Total remuneration (including salary and other benefits*)		
	Fiscal 2020	Fiscal 2019	Fiscal 2018
Mr. Ajit Kumar Mittal*	Nil	Nil	Nil
Mr. Anil Malhan	Nil	Nil	Nil
Mrs. Priya Jain	Nil	Nil	Nil

**W.e.f. August 14, 2017, Mr. Ajit Kumar Mittal has relinquished his office of Whole-Time Director of the Company and was appointed as Non-Executive Chairman of the Company, with effect from August 14, 2017.*

d. The following table sets forth the sitting fees paid by our Company to our existing Independent Directors for the Fiscal Years, 2020, 2019 and 2018:

(₹ in million)

Name of Director	Total sitting fees		
	Fiscal 2020	Fiscal 2019	Fiscal 2018
Mr. Prem Prakash Mirdha	Nil	Nil	Nil
Mr. Shamsher Singh Ahlawat	Nil	Nil	Nil

e. Details of remuneration payable or paid to the Director by the Subsidiary and associate companies of the Company for the Fiscal Years, 2020, 2019 and 2018:

Nil

Borrowing powers of the Board

Pursuant to the resolution passed by the shareholders of our Company on August 1, 2018 in accordance with provisions of 180(1)(c) and all other applicable provisions of the Companies Act and Articles of Association, the Board has been authorised to borrow sums of money as they may deem necessary for the purpose of the business of our Company, which together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed at any time, the aggregate of the paid-up capital of our Company and its free reserves (that is to say, reserves, not set apart for any specific purposes), provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 20,000 crores.

Interest of Directors/ Promoter of our Company

Our Managing Director and CEO may be deemed to be interested to the extent of remuneration paid by our Company as well as to the extent of reimbursement of expenses payable to them. Our Non-Executive Directors may be deemed to be interested to the extent of sitting fees, if any, payable to them for attending meetings of the Board or a committee thereof as well as to the extent of other reimbursement of expenses and profit linked incentives payable to them.

Our Directors, including Independent Directors, may also be regarded as interested in the Equity Shares, if any, held by them and also to the extent of any dividend payable to them and other distributions in respect of the Equity Shares. Our Directors, including Independent Directors, may also be regarded as interested in the Equity Shares held by or that may be subscribed by and allotted to the companies, firms and trust, in which they are interested as directors, members, partners or trustees.

Our Directors may be deemed to be interested in the contracts, agreements or arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firm in which they are partners. Except as otherwise stated in this Draft Shelf Prospectus and statutory registers maintained by our Company in this regard, we have not entered into any contract, agreements, arrangements during the preceding two years from the date of this Draft Shelf Prospectus in which our Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements, arrangements which are proposed to be made with them. None of the Directors have any interest in immovable property acquired or proposed to be acquired by the Company in the preceding two years as of the date of this Draft Shelf Prospectus.

None of the Directors are interested in their capacity as a member of any firm or company and no sums have been paid or are proposed to be paid to any Director or to such firm of company in which he is interested, by any person, in cash or shares or otherwise, either to induce them or to help them qualify as a director or for services rendered by him or by such firm or company, in connection with the promotion or formation of the Company.

Other than as disclosed in this Draft Shelf Prospectus, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested. Further, our Company has not availed any loans from the Directors which are currently outstanding.

Our Company believes that its Board is constituted in compliance with the Companies Act, 2013. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Except as disclosed hereinabove and the section titled *"Risk Factors"* on page 17 of this Draft Shelf Prospectus, the Directors do not have an interest in any venture that is involved in any activities similar to those conducted by our Company.

Shareholding of Directors including details of qualification shares held by Directors as on the date of this Draft Shelf Prospectus:

As on the date of this Draft Shelf Prospectus, except the following, none of the Directors hold any Equity Shares, qualification shares or any outstanding options in our Company.

Name of Director	Designation	Number of equity shares	Percentage shareholding (%)
Mr. Anil Malhan	Non-Executive Director	1*	Negligible

** Held as Nominee of Indiabulls Housing Finance Limited*

Shareholding of Directors in subsidiaries companies including details of qualification shares held by Directors as on the date of this Draft Shelf Prospectus:

As on the date of this Draft Shelf Prospectus, none of the Directors hold any Equity Shares, qualification shares or any outstanding options in our Subsidiary.

Holding of debentures by the Directors of the Company:

None

Appointment of any relatives of Directors to an office or place of profit

None of our Directors' relatives have been appointed to an office or place of profit.

Changes in the Directors of our Company during the last three years preceding the date of this Draft Shelf Prospectus:

The Changes in the Board of Directors of our Company in the three years preceding the date of this Draft Shelf Prospectus are as follows:

S. No.	Name, Designation	DIN	Date of appointment/ resignation	Reasons	Date of appointment in case of resignation
1.	Mr. Ripudaman Bandral, Managing Director	07910257	February 15, 2021	Resignation	August 16, 2017
2.	Mr. Rajiv Gandhi, Managing Director and CEO	09063985	February 15, 2021	Appointment	N.A.

Committees of Board of Directors

1. Audit Committee

The Audit Committee was last reconstituted on March 16, 2015. The terms of reference of this committee were last amended on July 21, 2017. The Audit Committee comprises three members: Mr. Anil Malhan, Mr. Prem Prakash Mirdha, and Mr. Shamsher Singh Ahlawat. Mr. Anil Malhan is the Chairman of the Audit Committee.

The terms of reference of the Audit Committee, *inter-alia,* include:

- To oversee the financial reporting process and disclosure of financial information.
- To review with management, annual financial statements and ensure their accuracy and correctness before submission to the Board.
- To review with management and internal auditors, the adequacy of internal control systems, approving the internal audit plans/reports and reviewing the efficacy of their function, discussion and review of periodic auditreports including findings of internal investigations.
- To recommend the appointment of the auditors and their remuneration.
- To review and approve required provisions to be maintained as per IRAC norms and write off decisions andregulatory requirements on Balance Sheet Disclosures.
- To hold discussions with the Auditors.
- Review and monitoring of the auditor' independence and performance and effectiveness of the audit process.
- Examination of the auditor' report on financial statements of the Company (in addition to the examination of
  the financial statements) before submission to the Board.
- Approval of any subsequent modification of transactions of the Company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings and assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters as and when such funds are raised and also reviewing the utilization of the funds so raised for purpose other than those stated in the relevant offer document, if any and making appropriate recommendations to the Board in this regard.
- Review and monitoring of the performance of the statutory auditor and effectiveness of the audit process.
- To hold post audit discussions with the auditors to ascertain any area of concern
- To review the whistle blower mechanism.
- Approval to the appointment of the Chief Financial Officer after assessing the qualifications, experience and background etc. of the candidate.
- Review of information system audit of the internal systems and processes to assess the operational risks facedby the Company and also ensures that the information system audit of internal systems and processes is conducted periodically.

2. **Nomination and Remuneration Committee** ("**NRC**")

NRC was last reconstituted on March 16, 2015. The terms of reference of this committee were last amended on July 21, 2017. NRC comprises of three members: Mr. Anil Malhan, Mr. Prem Prakash Mirdha, and Mr. Shamsher Singh Ahlawat. Mr. Anil Malhan is the Chairman of NRC.

The terms of reference of the Nomination and Remuneration Committee, *inter-alia*, include:

- To ensure 'fit and proper' status of all the directors on a continuing basis.
- To identify and advice Board in the matter of appointment of new Director.

3. **Corporate Social Responsibility Committee** ("**CSR Committee**")

CSR Committee was last reconstituted on August 14, 2016. The terms of reference of this committee were last amended on July 21, 2017. CSR Committee comprises of three members: Mr. Anil Malhan, Mr. Prem Prakash Mirdha, and Mr. Shamsher Singh Ahlawat. Mr. Anil Malhan, is the Chairman of the CSR Committee.

The terms of reference of the CSR Committee, *inter-alia*, include:

- To recommend to the Board, the CSR activities to be undertaken by the Company.
- To approve the expenditure to be incurred on the CSR activities.
- To oversee and review the effective implementation of the CSR activities.
- To ensure compliance of all related applicable regulatory requirements.

4. **Asset Liability Management Committee** ("**ALM Committee**")

ALM Committee was last reconstituted on August 26, 2016. The terms of reference of this committee were last amended on July 21, 2017. ALM Committee comprises of six members: Mr. Subhankar Ghosh, Mr. Anil Malhan, Mr. Mukesh Garg, Mr. Sukhjit Singh Makkar, Mr. Naveen Uppal, and Mr. Akhil Gupta. Mr. Subhankar Ghosh is the Chairman of the ALM Committee.

The terms of reference of the ALM Committee, *inter-alia,* include:

- Review of Assets and Liabilities position of the Company and Liquidity risk Management and give directionsto Finance/Treasury Team in the event of ALM mismatches beyond permissible limit as set out by the Committee.
- Management of Interest Risk and product pricing, launching of new products
- Periodical review of PLR and recommend for change for the benchmark rate of the Company
- Approval of Inter corporate loans to holding company and the associate companies.
- To measure the future cash flow as per maturity profile.
- Analyzing various risks like liquidity risk, interest rate risk, investment risk and business risks.
- Assessment of opportunity cost and maintenance of liquidity.
- Evaluate market risk involved in launching of new products.
- Decide the transfer pricing policy of the Company.
- To approve the business plan, targets and their regular reviews.

5. **Integrated Risk Management Committee** ("**IRMC**")

IRMC was last reconstituted on August 26, 2016. The terms of reference of this committee were last amended on July 21, 2017. IRMC comprises of four members: Mr. Anil Malhan, Mr. Mukesh Garg, Mr. Naveen Uppal and Mr. Sachin Chaudhary. Mr. Anil Malhan is the Chairman of the IRMC.

The terms of reference of the IRMC, *inter-alia*, include:

- Approve the Credit/Operation Policy and its review / modification from time to time.
- Review of Customer/Investor complaints received by Regulators, Courts, Legal body or internal complaints.
- Review of Grievance Redressal Mechanism and Customers Services
- Review of applicable regulatory requirements.
- Approve all the functional policies of the Company.

- Review of Branch Audit Report/Concurrent Audit Report of Treasury.
- Review Compliances of lapses.
- Place appropriate mechanism in the system to cater Fraud while dealing with customers/approval of loans etc.
- Review of profile of the high loan Customers and periodical review of the same.
- Review of implementation of FPCs, KYC and PMLA guidelines
- Define loan sanctioning authorities for various types/values of loans.
- Any other matter involving Risk to the asset /business of the Company.
- Evaluation of the risk management systems (in addition to the internal control systems)

6. Investment Committee

Investment Committee was last reconstituted on February 15, 2021. The terms of reference of this committee were last amended on July 21, 2017. Investment Committee comprises of three members: Mr. Ajit Kumar Mittal, Mr. Rajiv Gandhi, and Mr. Ashish Jain. Mr. Ajit Kumar Mittal is the Chairman of the Investment Committee.

The terms of reference of the Investment Committee, *inter-alia*, include:

- To help the Company to gainfully deploy the surplus funds available from time to time and creation of longterm assets for the Company.
- To periodically review and ensure that all the investments made by the Company are in consonance /compliance with the Investment Policy adopted by the Company.
- To review and approve the amendments in the Investment Policy.
- To decides on engagement of brokers, its terms and conditions, commissions etc.,
- To decides and periodical review of classification of investment as well as on inter-changing of theclassifications of investment (e.g., Held to Maturity, Held for Trading, Held for Sale)

7. Bond Issue Committee

Bond Issue Committee was last reconstituted on August 13, 2018. The terms of reference of this committee were last amended on October 15, 2018. Bond Issue Committee comprises of three members: Mr. Ajit Kumar Mittal, Mr. Anil Malhan, and Mr. Prem Prakash Mirdha. Mr. Ajit Kumar Mittal is the Chairman of the Bond Issue Committee.

The terms of reference of the Bond Issue Committee, *inter-alia*, include:

- authorization of any director or directors of the Company or other officer or officers of the Company, including by the grant of power of attorneys, to do such acts, deeds and things as such authorized person in his/her/its absolute discretion may deem necessary or desirable in connection with the issue, offer and allotment of the NCDs;
- giving or authorizing the giving by concerned persons of such declarations, affidavits, certificates, consents and authorities as may be required from time to time;
- appointing the lead managers, legal counsels, rating agency, trustee, registrar and any other intermediary to the issue in accordance with the provisions of the Debt Regulations and other applicable laws;
- seeking, if required, any approval, consent or waiver from the Company's lenders, and/or parties with whomthe Company has entered into various commercial and other agreements, and/or any/all concerned governmentand regulatory authorities in India, and/or any other approvals, consents or waivers that may be required in connection with the issue, offer and allotment of the NCDs;
- deciding, modifying or altering the pricing and terms and conditions of the NCDs, and all other related matters, including the determination of the size of the NCDs issue up to the maximum limit prescribed by the Board and the minimum subscription, number of the NCDs to be issued, the timing, nature of debt permitted by applicable laws, type, pricing, type of investors and such other terms and conditions of the issue including coupon rate, yield, retention of oversubscription, if any, etc., in consultation with the lead managers;
- approval of the draft prospectus/prospectus/draft shelf prospectus/shelf prospectus/tranche prospectus/ any other offering document, as the case may be (including amending, varying or modifying the same, as may be considered desirable or expedient) as finalised in consultation

with the lead managers, in accordance with all applicable laws, rules, regulations and guidelines;

- seeking the listing of the NCDs on any Indian stock exchange, submitting the listing application to such stockexchange and taking all actions that may be necessary in connection with obtaining such listing and trading approval;
- finalization of, and arrangement for, the submission of the Draft Prospectus and Prospectus(es) to be submittedto the Stock Exchange(s) and SEBI for receiving comments from the public and the Prospectus to be filed withthe Stock Exchange(s), Registrar of Companies, and any corrigendum, amendments supplements thereto;
- authorization of the maintenance of a register of holders of the debentures;
- finalization of the basis of allotment of the NCDs including in the event of over-subscription;
- finalization of the allotment of the NCDs on the basis of the applications received;
- acceptance and appropriation of the proceeds of the Issue;
- to generally do any other act and/or deed, to negotiate and execute any document/s, including finalising the issue agreement with lead managers, agreement with registrar to the Issue, consortium agreement, escrow agreement, , underwriting agreement, other agreements, listing agreement, tripartite agreements, execution of all such deeds, documents, instruments, applications and writings as it may, at its discretion, deem necessary and desirable for such purpose including without limitation the utilization of the issue proceeds, modify or alter any of the terms and conditions, including size of the Issue, as it may deem expedient, extension of Issue and/or early closure of the Issue and/or to give such direction as it deems fit or as may be necessary or desirable with regard to the Issue;
- to generally finalise any security offered for this Issue and execute documents in relation to the security creation including mortgage deed/deed of hypothecation/ debenture trust deed, debenture trustee agreement and all such deeds, documents, instruments, applications and writings as it may, at its discretion, deem necessary and desirable for such purpose as it deems fit or as may be necessary or desirable with regard to thesecurity for the Issue; and to approve issue and allotment of the NCDs and to approve all other matters relating to the Issue including issuing debenture certificates and do all such acts, deeds, matters and things in relation to the allotment of NCDs.

8. Stakeholder Relationship Committee

Stakeholder Relationship Committee was constituted on October 15, 2018. Stakeholder Relationship Committee comprises of three members: Mr. Anil Malhan, Mr. Prem Prakash Mirdha, and Mr. Shamsher Singh Ahlawat. Mr. Anil Malhan is the Chairman of the Stakeholder Relationship Committee.

The terms of reference of the Stakeholder Relationship Committee, *inter-alia*, include:

- To consider and resolve the grievances of security holders of the Company.
- To approve requests for NCDs transfers and transmissions.
- To approve the requests pertaining to remat of NCDs/sub division/consolidation/issue of renewed and duplicate NCDs certificates etc.

9. IT Strategy Committee

IT Strategy Committee was constituted on August 6, 2019. IT Strategy Committee comprises of three members: Mr. Shamsher Singh Ahlawat, Mr. Nafees Ahmed and Mr. M M S Imran Hussain Choudhury. Mr. Shamsher Singh Ahlawat is the Chairman of the Stakeholder Relationship Committee.

The terms of reference of the Stakeholder Relationship Committee, *inter-alia*, include:

- Approving IT strategy and policy documents and ensuring that the management has put an effective strategic planning process in place;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining ICCL growth and becoming aware about exposure towards IT risks and controls.

Key Managerial Personnel of our Company

Following are the Key Managerial Personnel of our Company:

S. No.	Name	Designation
1.	Mr. Rajiv Gandhi	Managing Director and CEO
2.	Mr. Ashish Kumar Jain	Chief Financial Officer
3.	Mr. Ajit Kumar Singh	Company Secretary

Related Party Transaction

For details in relation to the related party transactions entered by our Company during the Fiscal 2020, 2019, 2018, 2017 and 2016, as per the requirements under "Accounting Standard 18 – Related Party Transactions" or "Indian Accounting Standard 24 – Related Party Disclosures", as the case may be, refer to the chapter "*Financial Statements*" on page 149 of this Draft Shelf Prospectus.

Payment of benefits and profit-share to Employees

Not Applicable

OUR PROMOTER

Profile of our Promoter

Our promoter is Indiabulls Housing Finance Limited.

IHFL was incorporated under the Companies Act, 1956 on May 10, 2005, with the Registrar of Companies, National Capital Territory of Delhi and Haryana and received a certificate for commencement of business from the RoC on January 10, 2006.

IHFL is one of the largest housing finance company in India. It received a certificate of registration from the NHB to carry on the business of a housing finance institution in December 28, 2005 having registration number 02.0063.05. It is also a notified financial institution under the SARFAESI Act.

IHFL focus primarily on long-term secured mortgage-backed loans. It offers housing loans and loans against property to its target client base of salaried and self-employed individuals and small and medium-sized enterprises. It also offers mortgage loans to real estate developers in India in the form of lease rental discounting for commercial premises and construction finance for the construction of residential premises. The majority of its assets under management comprise housing loans, including in the affordable housing segment.

IHFL has a long-term credit ratings of "AA+" (for the long-term loans and non-convertible debentures) from Brickwork Ratings and "AA" from CRISIL, ICRA and CARE Ratings. Additionally, IHFL has obtained a credit rating of "AA+" from Brickwork Ratings and "AA" from CRISIL, ICRA and CARE Ratings in relation to its subordinated debt programme. IHFL has obtained a credit rating of "AA" from Brickwork Ratings and "AA-" from CARE Ratings for its perpetual debt programme. IHFL also has the highest short-term credit rating of "A1+" (for the Issuer's commercial paper programme) from CRISIL, ICRA and CARE. These ratings signify a high degree of safety, regarding timely servicing of financial obligations and low credit risk.

Awards and Recognitions

IHFL received a number of awards and recognitions in the past, including, amongst others:

Financial Year	Particulars
2016-2017	Most Promising Brand for Housing Finance of the Year 2016 by 24MRC Network in association with Zee Business
	Housing Finance Company of the Year 2016 by Navabharat
	BFSI Digital Innovators Award" in the Customer Experience category by the Indian Express Group
	SKOCH Smart Technologies Sustainable Growth - Silver Award for e-Home Loans by SKOCH
	Excellence in Cost Management 2016 by the Institute of Cost Accountants of India (ICAI)
	Housing Finance Company of the Year at the '30th National Real Estate Accommodation Times Awards' in Fiscal 2016
	Excellence in Home Loan Banking' at the 'My FM Stars of Industry Awards'
	Gold Level – Arogya World Healthy Workplace
	Most Innovative Citizen Engagement Through Technology at the Business World Digital India Summit
2017-2018	Awards for Annual Report, Brand Film and Table Calendar 2017-18 by public relations council of India
	Best use of Digital Media – 100% Dad Campaign at the Abby's – 2017
2018-2019	Awards for Annual Report, Brand Film and Table Calendar 2017-18 at the 8th Annual Corporate Collateral Awards 2018 by PRCI
	Best Social Media Brand in the BFSI sector (Financial Services) at the SAMMIE 2018
2019-2020	Ranked 20th among India's Best Companies to Work For 2019 - A study by Economic Times & Great Place to Work ® Institute
	India's Best Workplaces in BFSI-2019 by Great Place to Work ® Institute
	India's Best Workplaces in NBFC-2019 by Great Place to Work ® Institute

Interest of our Promoter in our Company

Our Promoter does not have any interest in our Company other than the dividend paid as our shareholder, loans provided to us by our Promoter, sharing infrastructure and common services. For further details, please see related party transactions in the section "*Financial Statements*" on page 149 of this Draft Shelf Prospectus.

Other understandings and confirmations

IHFL has confirmed that it has not been identified as wilful defaulter by the RBI or any other governmental authority.

Other than as mentioned below, there are no violations of securities laws has been committed by IHFL in the past or is currently pending against IHFL:

IHFL has paid a sum of ₹ 14,39,900 to SEBI for settlement of notice dated July 18, 2016 received under rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 by IHFL in relation to certain alleged irregularities with the filing of shareholding patterns by IHFL (between 2010 and 2012) with the stock exchanges pursuant to the erstwhile equity listing agreement that all listed entities in India were required to enter into with the stock exchanges.

IHFL is not debarred or prohibited from accessing the capital markets or restrained from buying, selling, or dealing in securities under any order or directions passed for any reasons by SEBI or any other authority or refused listing of any of the securities issued by such entity by any stock exchange in India or abroad. For details relating to litigation against our promoter, please see section "*Outstanding Litigations and Defaults*" on page 169 of this Draft Shelf Prospectus.

Details of shareholding of IHFL in our Company as on December 31, 2020:

Total number of Equity Shares*	**Number of Equity Shares in demat form**	**Total shareholding as % of total number of Equity Shares**	**Number of Equity Shares pledged**	**% of Equity Shares pledged with respect to the Equity Shares owned by IHFL**
24,77,99,324	Nil	100	Nil	Nil

**Includes four Equity Shares each held by Mr. Pankaj Sharma, Mr. Matbeer Singh, Mr. Satish Chand, Mr. Sanjeev Kashyap and Mr. Ravinder, three Equity Shares held by Mr. Gagan Banga and one Equity Share held by Mr. Anil Malhan as a nominee of IHFL.*

Shareholding pattern of our Promoter as on December 31, 2020

The following are the statements representing the shareholding pattern of the Promoter and Promoter Group

Summary Statement holding of specified securities

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: Equity Shares	Class eg: y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII)As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(A)	Promoter and Promoter Group	2	100194807	0	0	100194807	21.70	100194807	0	100194807	21.67	0	20.44	0	0.00	0	0.00	100194807
(B)	Public	314653	344536590	0	0	344536590	74.62	344536590	0	344536590	74.52	28343675	76.09	0	0.00	NA	NA	344528794
(C)	Non Promoter - Non Public																	
(C1)	Shares Underlying DRs	1	0	0	617505	617505	NA	617505	0	617505	0.13	0	NA	0	0.00	NA	NA	617505
(C2)	Shares held by employee trusts	1	17000000	0	0	17000000	3.68	17000000	0	17000000	3.68	0	3.47	0	0.00	NA	NA	17000000
	Total	**314657**	**461731397**	**0**	**617505**	**462348902**	**100.00**	**462348902**	**0**	**462348902**	**100.00**	**28343675**	**100.00**	**0**	**0.00**	**0**	0.00	**462341106**

Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category and Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class eg: Equity Shares	Class eg: y	Total	Total as a % of Total Voting rights	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held(b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held(b)	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(1)	Indian																		
(a)	Individuals/Hindu undivided Family		1	17251482	0	0	17251482	3.74	17251482	0	17251482	3.73	0	3.52	0	0.00	0	0.00	17251482
	SAMEER GEHLAUT	AFMPG9469E	1	17251482	0	0	17251482	3.74	17251482	0	17251482	3.73	0	3.52	0	0.00	0	0.00	17251482
(b)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other		1	82943325	0	0	82943325	17.96	82943325	0	82943325	17.94	0	16.92	0	0.00	0	0.00	82943325
	INUUS INFRASTRUCTURE PRIVATE LIMITED	AACCI1776N	1	82943325	0	0	82943325	17.96	82943325	0	82943325	17.94	0	16.92	0	0.00	0	0.00	82943325
	Sub-Total (A)(1)		**2**	**100194807**	**0**	**0**	**100194807**	**21.70**	**100194807**	**0**	**100194807**	**21.67**	**0**	**20.44**	**0**	**0.00**	**0**	**0.00**	**100194807**
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(e)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (A)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	0.00	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		**2**	**100194807**	**0**	**0**	**100194807**	**21.70**	**100194807**	**0**	**100194807**	**21.67**	**0**	**20.44**	**0**	**0.00**	**0**	**0.00**	**100194807**

Statement showing shareholding pattern of the Public shareholder

Category	Category and Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: Equity Shares	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(1)	Institutions																		
(a)	Mutual Funds		13	10021681	0	0	10021681	2.17	10021681	0	10021681	2.17	0	2.04	0	0.00	NA	NA	10021681
(b)	Venture Capital Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Foreign Portfolio Investors		227	148478735	0	0	148478735	32.16	148478735	0	148478735	32.11	0	30.30	0	0.00	NA	NA	148478735
	HSBC POOLED INVESTMENT FUND - HSBC POOLED ASIA PACIFIC EX JAPAN EQUITY FUND	AAAAH5936P	1	8031600	0	0	8031600	1.74	8031600	0	8031600	1.74	0	1.64	0	0.00	NA	NA	8031600
	THE WELLINGTON TRUST	AAATW1456C	1	5160166	0	0	5160166	1.12	5160166	0	5160166	1.12	0	1.05	0	0.00	NA	NA	5160166

Category	Category and Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957As a % of (A+B+C2)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class eg: Equity Shares	Class eg: y	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held(b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held(b)	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	COMPANY NATIONAL ASSOCIATION MULTIPLE COMMON TRUST FUNDS TRUST EMERGING MARKETS																		
	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	AABTV0442N	1	4759775	0	0	4759775	1.03	4759775	0	4759775	1.03	0	0.97	0	0.00	NA	NA	4759775
	ISHARES EMERGING MARKETS DIVIDEND ETF	AAECI7283C	1	4685299	0	0	4685299	1.01	4685299	0	4685299	1.01	0	0.96	0	0.00	NA	NA	4685299
	BNP PARIBAS ARBITRAGE	AAGFB5324G	1	13705930	0	0	13705930	2.97	13705930	0	13705930	2.96	0	2.80	0	0.00	NA	NA	13705930

Category	Category and Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957As a % of (A+B+C2)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
									Class eg: Equity Shares	Class eg: y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	STAR FUNDS S.A., SICAV-SIF - STAR INTERNATIONAL FUND	AAYCS9856M	1	14149590	0	0	14149590	3.06	14149590	0	14149590	3.06	0	2.89	0	0.00	NA	NA	14149590
(f)	Financial Institutions/Banks		1	2	0	0	2	0.00	2	0	2	0.00	0	0.00	0	0.00	NA	NA	2
(g)	Insurance Companies		1	45823723	0	0	45823723	9.92	45823723	0	45823723	9.91	0	9.35	0	0.00	NA	NA	45823723
	LIFE INSURANCE CORPORATION OF INDIA	AAACL0582H	1	45823723	0	0	45823723	9.92	45823723	0	45823723	9.91	0	9.35	0	0.00	NA	NA	45823723
(h)	Provident Funds/Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(i)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Sub Total (B)(1)		**242**	**204324141**	**0**	**0**	**204324141**	**44.25**	**204324141**	**0**	**204324141**	**44.19**	**0**	**41.69**	**0**	**0.00**	**NA**	**NA**	**204324141**
(2)	Central Government/State Government(s) / President of India		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0

Category	Category and Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957As a % of (A+B+C2)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class eg: Equity Shares	Class eg: y	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held(b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held(b)	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
	Sub Total (B)(2)		**0**	**0**	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0**	**0.00**	**0**	**0.00**	**NA**	**NA**	**0**
(3)	Non-Institutions																		
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		309965	72807629	0	0	72807629	15.77	72807629	0	72807629	15.75	25061475	19.97	0	0.00	NA	NA	72799833
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		26	17126232	0	0	17126232	3.71	17126232	0	17126232	3.70	3282200	4.16	0	0.00	NA	NA	17126232
	MINESH JORMALBHAI MEHTA MEHTA	AAYPM2048Q	1	5937577	0	0	5937577	1.29	5937577	0	5937577	1.28	0	1.21	0	0.00	NA	NA	5937577
(b)	NBFCs Registered with RBI		3	6725	0	0	6725	0.00	6725	0	6725	0.00	0	0.00	0	0.00	NA	NA	6725

Category	Category and Name of the shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957As a % of (A+B+C2)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class eg: Equity Shares	Class eg: y	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held(b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held(b)	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(c)	Employee Trusts		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Overseas Depositories (Holding DRs)(Balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Any Other)		4417	50271863	0	0	50271863	10.89	50271863	0	50271863	10.87	0	10.26	0	0	NA	NA	50271863
	NON RESIDENT INDIANS		3072	2717124	0	0	2717124	0.59	2717124	0	2717124	0.59	0	0.55	0	0.00	NA	NA	2717124
	CLEARING MEMBERS		437	7915660	0	0	7915660	1.71	7915660	0	7915660	1.71	0	1.62	0	0.00	NA	NA	7915660
	IEPF		1	18560	0	0	18560	0.00	18560	0	18560	0.00	0	0.00	0	0.00	NA	NA	18560
	BODIES CORPORATES		907	39620519	0	0	39620519	8.58	39620519	0	39620519	8.57	0	8.08	0	0.00	NA	NA	39620519
	Sub Total (B)(3)		**314411**	**140212449**	**0**	**0**	**140212449**	**30.37**	**140212449**	**0**	**140212449**	**30.33**	**28343675**	**34.39**	**0**	**0.00**	**NA**	**NA**	**140204653**
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		**314653**	**344536590**	**0**	**0**	**344536590**	**74.62**	**344536590**	**0**	**344536590**	**74.52**	**28343675**	**76.09**	**0**	**0.00**	**NA**	**NA**	**344528794**

Details of the shareholders acting as persons in Concert including their Shareholding (No. and %):			
Name of shareholder	**Name of PAC**	**No. of Shares**	**holding%**
N.A.	**N.A.**	**N.A.**	**N.A.**

"Details of shares which remain unclaimed may be given here along with details such as no. of shareholders, outstanding shares held in demat/unclaimed suspense account, voting rights which are frozen etc." Not applicable

Note: Life Insurance Corporation of India is holding equity shares of the Company under two different categories i.e. 34688043 Equity Shares under the category Insurance Company and 11135680 Equity Shares under the category Qualified Institutional Buyer, under the same PAN AAACL0582H.

However, to comply with the SEBI Circular dated December 19, 2017, requiring the Company to consolidate the shareholding on the basis of PAN to avoid multiple disclosures of shareholding of same person, the Company has consolidated entire shareholding of LIC i.e. 45823723 Equity Shares under the category Insurance Company and has shown its name with entire shareholding as it is holding more than 1 percent under both categories.

Statement showing shareholding pattern of the Non Promoter- Non Public shareholder

Category	Category and Name of shareholders	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities: No of Voting Rights: Class eg: Equity Shares	Class eg: y	Total	Total as a % of (A+B+C)	No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares: No. (a)	As a % of total Shares held(b)	Number of Shares pledged or otherwise encumbered: No. (a)	As a % of total Shares held(b)	Number of equity shares held in dematerialised form
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)= (VII)+(X) As a % of (A+B+C2)	(XII)		(XIII)		(XIV)
(1)	Custodian/DR Holder		1	0	0	617505	617505	NA	617505	0	617505	0.13	0	NA	0	0.00	NA	NA	617505
	DEUTSCHE BANK TRUST COMPANY AMERICAS	AACCD4898E	1	0	0	617505	617505	NA	617505	0	617505	0.13	0	NA	0	0.00	NA	NA	617505
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		1	17000000	0	0	17000000	3.68	17000000	0	17000000	3.68	0	3.47	0	0.00	NA	NA	17000000
	Pragati Employee Welfare Trust (formerly INDIABULLS HOUSING FINANCE LIMITED-EMPLOYEES WELFARE TRUST)	AABTI7859L	1	17000000	0	0	17000000	3.68	17000000	0	17000000	3.68	0	3.47	0	0.00	NA	NA	17000000
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)		**2**	**17000000**	**0**	**617505**	**17617505**	**3.68**	**17617505**	**0**	**17617505**	3.81	**0**	**3.47**	**0**	**0.00**	**NA**	**NA**	**17617505**

Table V- Statement showing details of significant beneficial owners (SBOs)

Sr. No	Details of the SBO (I)			Details of the registered owner (II)			Details of holding/ exercise of right of the SBO in the reporting company, whether direct or indirect*: (III)					Date of creation / acquisition of significant beneficial interest# (IV)
	Name	PAN/ Passport No. in case of a foreign national	Nationality	Name	PAN / Passport No. in case of a foreign national	Nationality	Whether by virtue of:					
							Shares %	Voting rights %	Rights on distributable dividend or any other distribution %	Exercise of control %	Exercise of significant influence %	
1	SAMEER GEHLAUT	AFMPG9469E	Indian	INUUS INFRASTRUCTURE PRIVATE LIMITED	AACCI1776N	Indian	17.94	17.94	17.94	No	No	20/03/2020

* In case the nature of the holding/ exercise of the right of a SBO falls under multiple categories specified under (a) to (e) under Column III, multiple rows for the same SBO shall be inserted accordingly for each of the categories

This column shall have the details as specified by the listed entity under Form No. BEN-2 as submitted to the Registrar.

Board of Directors of IHFL as on date of the Draft Shelf Prospectus:

1. Mr. Subhash Sheoratan Mundra, Non-Executive Chairman (Independent Director)
2. Mr. Sameer Gehlaut, Non-Executive, Non-Independent Director
3. Mr. Gagan Banga, Vice Chairman, Managing Director and CEO
4. Mr. Ajit Kumar Mittal, Executive Director
5. Mr. Ashwini Omprakash Kumar, Deputy Managing Director and an Executive Director
6. Mr. Sachin Chaudhary, Executive Director
7. Mr. Shamsher Singh Ahlawat, Independent Director
8. Mr. Prem Prakash Mirdha, Independent Director
9. Justice Mrs. Gyan Sudha Misra (Retd.), Independent Director
10. Mr. Satish Chand Mathur, Independent Director
11. Mr. Siddharth Achuthan, Independent Director
12. Mr. Dinabandhu Mohapatra, Independent Director (Additional)

SECTION V-FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Auditors' Report on the Reformatted Standalone Statement of Assets and Liabilities as at March 31, 2020 and 2019 and Reformatted Standalone Statement of Profit and Loss, Cash Flows, Statement of Changes in Equity for the each of the years ended March 31, 2020 and 2019 of Indiabulls Commercial Credit Limited (collectively, the "Reformatted Ind AS Standalone Financial Information")

The Board of Directors
Indiabulls Commercial Credit Limited
M - 62 & 63 First Floor, Connaught Place
New Delhi 110001

Dear Sirs / Madams,

1. We have examined the attached Reformatted Ind AS Standalone Financial Information of Indiabulls Commercial Credit Limited (the "Company") as at March 31, 2020 and March 31, 2019 and for each of the years ended March 31, 2020 and March 31, 2019 annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its proposed issue of Secured Redeemable Non-Convertible Debentures of face value of Rs. 1,000 each ("NCDs"). The Reformatted Ind AS Standalone Financial Information, which have been approved by the Board of Directors of the Company, have been prepared by the Company in accordance with the requirements of:

a) Section 26 of Chapter III of The Companies Act, 2013, as amended (the "Act"); and

b) relevant provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ('the Regulations') issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act").

Management's Responsibility for the Reformatted Ind AS Standalone Financial Information

2. The preparation of Reformatted Ind AS Standalone Financial Information is based on audited financial statements of the Company prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India in accordance with the accounting principles generally accepted in India, which are to be included in the Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche Prospectus(es), is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Reformatted Ind AS Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act and the Regulations.

Auditors' Responsibilities

3. We have examined such Reformatted Ind AS Standalone Financial Information taking into consideration:

a) the terms of reference and our engagement agreed with you vide our engagement letter dated March 11, 2021, requesting us to carry out work on such Reformatted Ind AS Standalone Financial Information in connection with the Company's Issue of NCDs;

b) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and

d) the requirements of Section 26 of the Act and the Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the Regulations in connection with the Issue of NCDs.

4. The Company proposes to make an offer which comprises an issue of Secured Redeemable Non-Convertible Debentures of Rs.1,000 each by the Company, as may be decided by the Board of Directors of the Company.

Reformatted Ind AS Standalone Financial Information

5. The Reformatted Ind AS Standalone Financial Information have been compiled by the management from the audited standalone Ind AS financial statements of the Company as at and for each of the years ended March 31, 2020 and March 31, 2019, which have been approved by the Board of Directors at their meetings held on July 03, 2020 and April 24, 2019 respectively;

6. For the purpose of our examination, we have relied on Auditors' reports issued by us, dated July 03, 2020 and April 24, 2019 on the standalone financial statements of the Company as at and for each the years ended March 31, 2020 and March 31, 2019 as referred in Paragraph 5 above;

Our report dated July 3, 2020 on the Audited Standalone Ind AS Financial Statements as at and for the year ended March 31, 2020, included:

Emphasis of Matter

We draw attention to Note 7 to the accompanying Financial Statements which describes the effects of uncertainties relating to COVID – 19 pandemic outbreak on the Company's operations, that are dependent upon future developments, and the impact thereof on the Company's estimates of impairment of loans to customers outstanding as at March 31, 2020, and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

7. Taking into consideration the requirements of Section 26 of Part I of Chapter III of the Act, the Regulations and the terms of our engagement agreed with you, we further report that:

a) the Reformatted Standalone Statement of assets and liabilities and notes forming part thereof, the Reformatted Standalone Statement of profit and loss and notes forming part thereof, the Reformatted Standalone Statement of cash flows and Reformatted Standalone Statement of changes in equity ("Reformatted Ind AS Standalone Financial Information") of the Company as at and for each of the years ended March 31, 2020 and March 31, 2019 have been examined by us, as set out in Annexure I to Annexure IV to this report. These Reformatted Ind AS Standalone Financial Information have been prepared after regrouping, which is more fully described in Significant Accounting policies and notes (Refer Annexure V).

b) based on our examination as above:

i) the Reformatted Ind AS Standalone Financial Information have to be read in conjunction with the notes given in Annexure V; and

ii) the figures of earlier period have been regrouped (but not restated retrospectively for changes in accounting policies), wherever necessary, to conform to the classification adopted for the Reformatted Ind AS Standalone Financial Information as at and for the year ended March 31, 2020.

Other Financial Information

8. At the Company's request, we have also examined the following other financial information proposed to be included in the Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche Prospectus(es) prepared by the Management and approved by the Board of Directors of the Company and annexed to this report relating to the Company, as at and for each of the years ended March 31, 2020 and March 31, 2019:

a) Statement of Accounting Ratios, enclosed as Annexure VI

b) Statement of Dividend, enclosed as Annexure VII

c) Statement of Capitalisation, enclosed as Annexure VIII

Opinion

9. In our opinion, the Reformatted Ind AS Standalone Financial Information and the other financial information referred to in paragraph 8 above, as disclosed in the Annexures to this report, read with respective significant accounting policies disclosed in Annexure V, and after making adjustments and regroupings as considered appropriate and disclosed has been prepared by the Company by taking into consideration the requirement of Section 26 of Part I of Chapter III of the Act and the Regulations.

Other matters

10. In the preparation and presentation of Reformatted Ind AS Standalone Financial Information based on audited standalone financial statements as referred to in paragraphs 5 and 6 above, no adjustments have been made for any events occurring subsequent to dates of the audit reports specified in paragraphs 5 and 6 above.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

13. This report is intended solely for use of the management for inclusion in the Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche Prospectus(es) to be filed with Registrar of Companies, National Capital Territory of Delhi and Haryana, SEBI, National Stock Exchange of India Limited and BSE Limited in connection with the proposed Issue of NCDs of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,

For Ajay Sardana Associates
Chartered Accountants
ICAI Firm registration number: 016827N

per Rahul Mukhi
Partner
Membership No. 099719
Place: New Delhi
Date: March 31, 2021
UDIN: 21099719AAAABS1037

Indiabulls Commercial Credit Limited

Reformatted Standalone Statement of Assets And Liabilities

Annexure I

Amount in Rs. Crores

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
Financial assets			
Cash and cash equivalents	5	2,000.27	488.16
Bank balances other than cash and cash equivalents	6	52.36	52.53
Loans	7	11,706.49	15,749.83
Investments	8	1,590.43	417.22
Other financial assets	9	129.55	164.26
Non- financial assets			
Current tax assets (net)		240.28	101.51
Deferred tax assets (net)	10	28.37	-
Non-current assets held for sale	11	580.52	-
Property, plant and equipment	12.1	5.97	8.61
Other Intangible assets	12.2	1.31	3.77
Right of Use assets	12.3	5.37	-
Other non- financial assets	13	46.38	59.17
TOTAL ASSETS		**16,387.30**	**17,045.06**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Trade payables	14		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.01	5.15
Debt securities	15	2,440.38	2,215.22
Borrowings (other than debt securities)	16	6,088.82	8,247.44
Subordinated liabilities	17	348.86	343.96
Other financial liabilities	18	3,067.27	1,820.23
Non financial liabilities			
Current tax liabilities (net)		3.52	10.00
Provisions	19	5.67	8.21
Deferred tax liabilities (net)	10	-	5.82
Other non-financial liabilities	20	25.82	13.98
Equity			
Equity share capital	21	247.80	247.80
Preference share capital	22	-	-
Other equity	23	4,159.15	4,127.25
TOTAL LIABILITIES AND EQUITY		**16,387.30**	**17,045.06**
The accompanying notes are an integral part of reformatted Ind AS standalone financial information	1-57		

As per our report of even date attached.
For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rahul Mukhi
Partner
Membership No. 099719

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

New Delhi, March 31, 2021

March 31, 2021

Indiabulls Commercial Credit Limited

Reformatted Standalone Statement of Profit and Loss

Annexure II

Amount Rs. in crores

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations			
Interest income	24	2,013.72	1,471.45
Dividend income	25	46.22	101.02
Fees and commission income	26	41.74	123.52
Net gain on fair value changes	27	80.53	-
Net gain on derecognition of financial instruments under amortised cost category		8.26	63.92
Total revenue from operations		**2,190.47**	**1,759.91**
Other income	28	0.81	0.69
Total income		**2,191.28**	**1,760.60**
Expenses			
Finance costs	29	1,158.18	826.80
Net loss on fair value changes	27	-	70.40
Impairment on financial instruments	30	952.92	364.41
Employee benefits expense	31	27.62	32.17
Depreciation and amortization	12	8.87	5.06
Other expenses	32	16.44	14.48
Total expenses		**2,164.03**	**1,313.32**
Profit before tax		**27.25**	**447.28**
Tax expense:	33		
(1) Current tax		41.62	110.71
(2) Deferred Tax (credit)/charge		(34.18)	13.57
Profit for the year		**19.81**	**323.00**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
(a) Remeasurement gain /(loss) on defined benefit plan		(0.07)	0.10
(b) Gain/(loss) on change in fair value of derivative designated at FVOCI		-	27.08
(ii) Income tax impact on above		0.02	(9.50)
B (i) Items that will be reclassified to profit or loss			
(ii) Income tax impact on above		-	-
Other comprehensive income (/ (loss) A+B)		**(0.05)**	**17.68**
Total comprehensive income for the year		**19.76**	**340.68**
Earnings per equity share	41		
Basic (Rs.)		0.80	29.16
Diluted (Rs.)		0.80	24.46
Nominal value per share (Rs.)		10.00	10.00

The accompanying notes are an integral part of reformatted Ind AS standalone financial information 1-57

As per our report of even date attached.
For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rahul Mukhi
Partner
Membership No. 099719
New Delhi, March 31, 2021

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

New Delhi, March 31, 2021

March 31, 2021

Indiabulls Commercial Credit Limited

Reformatted Standalone Statement of Cash Flows

Annexure III

Amount Rs. in crores

		For the year ended March 31, 2020	For the year ended March 31, 2019
A	**Cash flow from operating activities :**		
	Profit before tax	27.25	447.28
	Adjustments for:		
	Provision for gratuity	0.84	0.82
	Provision for compensated absences	(0.01)	0.03
	Share based payments to employees	2.38	2.03
	Provision for diminution on value of investment	2.12	-
	Provision for impairment due to expected credit loss	176.29	253.61
	Bad debts written off	822.52	112.03
	Interest expenses	1,144.68	820.74
	Interest income	(2,022.05)	(1,537.61)
	Gain on modification of leases	(0.31)	-
	Deemed cost of fair value of corporate guarantee	12.43	1.47
	Balances no longer required, written back	(0.01)	(0.02)
	Dividend income	(46.22)	(101.02)
	Loss on sale of property, plant and equipment	0.33	-
	Unrealised gain on investments (net)	(64.72)	2.75
	Realised gain on investments (net)	(15.81)	67.66
	Depreciation and amortisation	8.87	5.06
	Operating profit/ (loss) before working capital changes	**48.58**	**74.83**
	Adjustment for changes in working capital:		
	Other financial assets	41.50	8.58
	Other non financial assets	(1.10)	(38.58)
	Loans	3,241.32	(8,269.06)
	Trade payables	(5.14)	4.94
	Provisions for gratuity and compensated absences	(0.66)	(0.17)
	Other financial liabilities	1,198.87	1,562.51
	Other non financial liabilities	11.85	4.14
	Net cash generated from/ (used in) operations	**4,535.22**	**(6,652.81)**
	Interest received	1,966.03	1,408.48
	Interest paid	(1,096.68)	(711.38)
	Income tax paid(net)	(186.87)	(209.15)
	Net cash generated from/ (used in) operating activities	**5,217.70**	**(6,164.86)**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	(0.11)	(4.61)
	Movement in capital advances	0.17	0.29
	Movement in fixed deposits with banks	0.16	(22.28)
	Investment in equity shares of subsidiary company	(0.57)	(0.70)
	Dividend income	46.22	101.02
	Interest received	32.16	1.37
	Non-current assets held for sale	(580.52)	-
	Investments in mutual funds / other investments (net)	(1,094.23)	(308.92)
	Net cash (used in) investing activities	**(1,596.72)**	**(233.83)**
C	**Cash flow from financing activities**		
	Proceeds from issue of equity shares (including securities premium)	-	2,723.36
	Distribution of preference dividend	(2.78)	(13.54)
	Repayment of loan taken from fellow subsidiary company (net)	-	(14.53)
	Proceeds from loan taken from holding company(net)	341.42	167.00
	Proceeds from issue of secured redeemable non-convertible debentures	215.00	1,950.00
	Proceeds from issue of subordinate debt	5.00	100.00
	Debentures issue expenses	-	(4.60)
	Repayment of commercial papers(net)	-	(2,295.00)
	(Repayment of)/Proceeds from working capital loans(net)	(2,171.21)	2,134.80
	(Repayment of)/ Proceeds from bank loans and other borrowings (net)	(491.83)	1,871.65
	Payment of lease liabilities	(4.47)	-
	Net cash (used in)/generated from financing activities	**(2,108.87)**	**6,619.14**
D	**Net increase / (decrease) in cash and cash equivalents (A+B+C)**	1,512.11	220.45
E	**Cash and cash equivalents at the beginning of the year**	488.16	267.71
F	**Cash and cash equivalents at the close of the year (D + E)** [(Refer Note 5)]	**2,000.27**	**488.16**

The accompanying notes are an integral part of
reformatted Ind AS standalone financial information 1-57

As per our report of even date
For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rahul Mukhi
Partner
Membership No. 099719

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

New Delhi, March 31, 2021

March 31, 2021

Indiabulls Commercial Credit Limited

Reformatted Standalone Statement of changes in equity for the year ended March 31, 2020

Annexure IV

a.

Equity Share Capital:	**Numbers**	**Amount Rs. in crores**
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 01, 2018	60,571,401	60.57
Addition during the year	187,227,923	187.23
At March 31, 2019	**247,799,324**	**247.80**
Addition during the year	-	-
At March 31, 2020	**247,799,324**	**247.80**

b. **Other Equity**

Amount Rs. in crores

	Reserves & Surplus									**Other Comprehensive Income**	**Total**
	Capital Reserve	**Capital Redemption Reserve**	**Securities Premium Account**	**Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961**	**Reserve (II) (Reserve fund u/s 45-IC of the R.B.I. Act, 1934)**	**Debenture Redemption Reserve**	**Share based Payment reserve**	**Fair value of corporate guarantee**	**Retained earnings**		
At April 01, 2018	**0.17**	**4.00**	**690.77**	**42.91**	**138.70**	**-**	**1.73**	**-**	**328.64**	**(17.61)**	**1,189.31**
Profit for the year	-	-	-	-	-	-	-	-	323.00	**-**	323.00
Other Comprehensive Income/(loss)	-	-	-	-	-	-	-	-	0.06	17.62	17.68
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**323.06**	**17.62**	**340.68**
Add: Transferred / Addition during the year	-	-	2,560.32	43.74	64.60	83.83	2.03	41.63	-	-	2,796.15
Less : Share issue expenses	-	-	(1.69)	-	-	-	-	-	-	-	(1.69)
Appropriations:-											
Corporate Dividend Tax on Dividend paid on Preference Shares	-	-	-	-	-	-	-	-	(2.78)	-	(2.78)
Provision for Dividend on Preference Shares									(2.25)		(2.25)
Transferred to Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	-	-	-	-	-	-	-	(43.74)	-	(43.74)
Transferred to Reserve Fund u/s 45-IC of the R.B.I. Act, 1934	-	-	-	-	-	-	-	-	(64.60)	-	(64.60)
Transferred to Debenture Redemption Reserve									(83.83)	-	(83.83)
Total Appropriations									**(197.20)**		**(197.20)**
At March 31, 2019	**0.17**	**4.00**	**3,249.40**	**86.65**	**203.30**	**83.83**	**3.76**	**41.63**	**454.50**	**0.01**	**4,127.25**

Indiabulls Commercial Credit Limited

Reformatted Standalone Statement of changes in equity for the year ended March 31, 2020

Indiabulls Commercial Credit Limited

Reformatted Standalone Statement of changes in equity for the year ended March 31, 2020 (Continued)

Amount in Rs. Crores

	Reserves & Surplus									Other Comprehensive Income	Total
	Capital Reserve	**Capital Redemption Reserve**	**Securities Premium Account**	**Special Reserve U/s 36(I)(viii) of the Income Tax Act, 1961**	**Reserve (II) (Reserve fund u/s 45-IC of the R.B.I. Act, 1934)**	**Debenture Redemption Reserve**	**Share based Payment reserve**	**Fair value of corporate guarantee**	**Retained earnings**		
At March 31, 2019	**0.17**	**4.00**	**3,249.40**	**86.65**	**203.30**	**83.83**	**3.76**	**41.63**	**454.50**	**0.01**	**4,127.25**
Profit for the year	-	-	-	-	-	-	-	-	**19.81**	-	19.81
Other Comprehensive Income/(loss)	-	-	-	-	-	-	-	-	(0.04)	(0.01)	(0.05)
Total comprehensive income	-	-	-	-	-	-	-	-	**19.77**	**(0.01)**	**19.76**
Add: Transferred / Addition during the year	-	-	-	-	3.96	163.21	2.38	9.76	-	-	179.31
Less : Share issue expenses	-	-	-	-	-	-	-	-	-	-	-
Appropriations:-											
Transferred to Reserve Fund u/s 45-IC of the R.B.I. Act, 1934	-	-	-	-	-	-	-	-	(3.96)	-	(3.96)
Transferred to Debenture Redemption Reserve	-	-	-	-	-	-	-	-	(163.21)	-	(163.21)
Total Appropriations									**(167.17)**		**(167.17)**
At March 31, 2020	**0.17**	**4.00**	**3,249.40**	**86.65**	**207.26**	**247.04**	**6.14**	**51.39**	**307.10**	**-**	**4,159.15**

The accompanying notes are an integral part of reformatted Ind AS standalone financial information 1-57

As per our report of even date.

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rahul Mukhi
Partner
Membership No. 099719

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

New Delhi, March 31, 2021

March 31, 2021

1 Corporate information

Indiabulls Commercial Credit Limited ("the Company") "ICCL" was incorporated on July 07, 2006 and is engaged in the business of financing, investment and allied activities. On February 12, 2008, the Company was registered under section 45-IA of the Reserve Bank of India Act, 1934 to carry on the business of a Non Banking Financial Company but does not have permission from the Reserve Bank of India to accept public deposits.

In accordance with the provisions of section 13 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, the members of the company at their Extraordinary General Meeting held on March 02, 2015, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, National Capital Territory of Delhi & Haryana dated March 12, 2015, in respect of the said change. Accordingly, the name of the Company was changed from Indiabulls Infrastructure Credit Limited to Indiabulls Commercial Credit Limited.

In accordance with the approval of the members of the Company, at their Extraordinary general meeting held on June 12, 2015 and of the Registrar of Companies, National Capital Territory of Delhi & Haryana, and pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder, new set of Memorandum of Association (MOA) of the Company in accordance with Table A of Schedule I of the Companies Act, 2013, inter alia modifying sub clause 5 of the erstwhile main object of the MOA, as reproduced below, be and is hereby adopted as follows:

"To act as financial consultants, investment, marketing and management consultants/advisors and provide consultancy in various fields including general administrative, secretarial, managerial, commercial, banking, financial, economic, public relation, personal and corporate finance and direct and indirect taxation and other levies".

The Board of Directors of Indiabulls Finance Company Private Limited ("IFCPL") and the Company at their meeting held on April 16, 2015 had approved, the Scheme of Arrangement, involving the merger of IFCPL, on an ongoing basis, into the Company, pursuant to and in terms of the provisions of Section 391 – 394 of the Companies Act, 1956, as amended from time to time ("Scheme of Arrangement"). The appointed date of the proposed merger fixed under the Scheme of Arrangement was April 01, 2015. The Hon'ble High Court of Delhi, vide its order dated March 15, 2016, received by the Company on March 31, 2016, approved the Scheme of Arrangement (Order). In terms of the court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 31, 2016 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), the Scheme of Arrangement came into effect and IFCPL, as a going concern, stands amalgamated with the Company with effect from the Appointed Date, being April 01, 2015 (in accordance with AS-14-Accounting for Amalgamations, under the Pooling of Interests Method). Consequent to the Scheme of Arrangement becoming effective, the Board of Directors of the Company at their meeting held on March 31, 2016, issued and allotted 32,826,288 Equity Shares of Rs. 10 each of the Company to the Equity Share Holders of IFCPL, against their share holding in such equity shares as on March 31, 2016. The issue of equity shares by the Company in the ratio of 3:1, was in terms of the Share Exchange Ratio as mentioned in the Court approved Scheme of Arrangement.

2 (i) Basis of preparation

The Reformatted Standalone Statement of Assets and Liabilities of the Company as at 31 March 2020 and 31 March 2019 and the Reformatted Standalone Statement of Profit and Loss and the Reformatted Standalone Statement of Cash flows and the Reformatted Standalone Statement of change in equity and the Summary of Significant Accounting Policies and explanatory notes for the year ended 31 March 2020 and 31 March 2019 (together referred as 'Reformatted Ind AS standalone financial information') have been extracted by the Management from the Standalone Ind AS Audited Financial Statements of the Company for the year ended 31 March 2020 and 31 March 2019 ("Audited Ind AS Financial Statements").

The Reformatted Ind AS standalone financial information have been prepared by the management in connection with the proposed listing of secured redeemable non-convertible debentures of the Company with BSE Limited ('the stock exchanges'), in accordance with the requirements of:

a) Section 26 of the Companies Act, 2013; and

b) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008 issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time read along with the SEBI circular CIR/IMD/DF/18/2013 dated October 29, 2013 (together referred to as the "SEBI Regulations").

Notes to the reformatted Ind AS standalone financial information

Annexure V

The reformatted Ind AS standalone financial information of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (Updated as on February 17, 2020) ('the RBI Directions, 2016') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The Company uses accrual basis of accounting except in case of significant uncertainties.

The reformatted Ind AS standalone financial information is presented in Indian Rupee (INR) which is also the functional currency of the Company.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Company.

(ii) Presentation of Ind AS standalone financial information

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

A. The normal course of business
B. The event of default
C. The event of insolvency or bankruptcy of the Group and/or its counterparties.

These reformatted Ind AS standalone financial information has been prepared in Indian Rupee which is the functional currency of the Company.

These reformatted Ind AS standalone financial information has been approved for issue by the Board of Directors of the Company on March 31, 2021.

3 Significant accounting policies

3.1 Use of estimates

The preparation of Standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

A. Impairment loss on financial assets

The measurement of impairment losses across all categories of financial assets except assets valued at FVTPL, enquires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

• The Company's model, which assigns Probability of Defaults (PDs)
• The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Long Term ECL (LTECL) basis
• The segmentation of financial assets when their ECL is assessed on a collective basis
• Development of ECL models, including the various formulas and the choice of inputs
• Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at Default (EADs) and Loss Given Default (LGDs)
• Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

B. Business Model Assumption

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are de-recognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.

C. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

D. Share Based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

E. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

F. Effective interest rate (EIR) method

The Company's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to the company's base rate and other fee income/expense that are integral parts of the instrument.

3.2 Cash and cash equivalents

Cash and cash equivalent comprises cash in hand, demand deposits and time deposits held with bank, debit balance in cash credit account.

3.3 Recognition of income and expense

a) Interest income

The Company earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest revenue is recognized using the effective interest method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income.

b) Interest expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

c) Other charges and other interest

Additional interest and Overdue interest is recognised on realisation basis.

e) Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

3.4 Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.5 Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

• Office Premises – 1-12 Years

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (xx) Impairment of non-financial assets.

Lease Liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

Changes in accounting policies and disclosures

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases, Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method with the initial application date as April 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

• Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

• Used a single discount rate to a portfolio of leases with reasonably similar characteristics
• Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
• Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application.
• Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

Significant accounting, judgements, estimates and assumptions

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

Accounting Policy for the Comparative Period i.e. March 31, 2019

Operating Leases

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognized as operating leases. The Company has ascertained that the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and therefore, the lease payments are recognized as per terms of the lease agreement in the Statement of Profit and Loss.

3.6 Property, plant and equipment (PPE) and Intangible assets

PPE

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible fixed assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

3.7 Depreciation and amortization

Depreciation

Depreciation on tangible fixed assets is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for Vehicles.

Vehicles are amortised on a straight line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction, as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Amortization

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

The amortisation period and the amortisation method for these softwares with a finite useful life are reviewed at least at each financial year-end.

3.8 Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.9 Provisions, Contingent Liability and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements.

3.10 Retirement and other employee benefits

Retirement benefit in the form of provident fund and Employee State Insurance Scheme is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and Employee State Insurance scheme. The Company recognizes contribution payable to the provident fund and Employee State Insurance scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company has unfunded defined benefit plans Gratuity plan for all eligible employees, the liability for which is determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Superannuation (Pension & Medical coverage) payable to a Director on retirement is also actuarially valued at the end of the year using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

3.11 Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which during the specified period gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.12 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.13 Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company`s estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

3.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.14.1 Financial Assets

3.14.1.1 Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management’s intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

3.14.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:
• Debt instruments at amortised cost
• Debt instruments at fair value through other comprehensive income (FVTOCI)
• Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
• Equity instruments measured at fair value through other comprehensive income (FVTOCI)

3.14.1.3 Debt instruments at amortised costs

A ‘debt instrument’ is measured at the amortised cost if both the following conditions are met:
• The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Business model: The business model reflects how the Company manages the assets in order to generate cash flows. That is, where the Company's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Company's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVTOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of ‘other’ business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows (i.e. measured at amortized cost) or to collect contractual cash flows and sell (i.e. measured at fair value through other comprehensive income), the Company assesses whether the financial instruments’ cash flows represent solely payments of principal and interest (the ‘SPPI test’). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortized cost, as mentioned above, is computed using the effective interest rate method.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.14.1.4 Debt instruments at FVOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

The objective of the business model is achieved both by collecting contractual cash flows and fair value changes relating to market movements selling the financial assets, and The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

3.14.1.5 Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

3.14.1.6 Equity Investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

3.14.2 Financial Liabilities

3.14.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

3.14.2.2 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

3.14.3 Derivative financial instruments

The Company holds derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations. The counterparty for these contracts is generally a bank. Derivatives that are not designated a hedge are categorized as financial assets or financial liabilities, at fair value through profit or loss. Such derivatives are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in Statement of Profit and Loss.

3.14.4 Reclassification of financial assets and liabilities

The company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

3.14.5 De recognition of financial assets and liabilities

3.14.5.1 Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Company has transferred the financial asset if, and only if, either:

• It has transferred its contractual rights to receive cash flows from the financial asset

Or

• It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a ‘pass-through’ arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

• The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.

• The Company cannot sell or pledge the original asset other than as security to the eventual recipients.

• The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

• The Company has transferred substantially all the risks and rewards of the asset

Or

• The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

3.14.5.2 Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.

3.15 Impairment of financial assets

3.15.1 Overview of the ECL principles
The Company is recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, (in this section all referred to as ‘financial instruments’). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months’ expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument’s credit risk has increased significantly since initial recognition.

Based on the above process, the Company groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1 : When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.
Stage 2: When a loan has shown a significant increase in credit risk since origination, the company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECLs.

3.15.2 The calculation of ECLs
The Company calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:
• PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may
only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
• EAD - The Exposure at Default is an exposure at a default date.
• LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:
Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For loan commitments, the ECL is recognised within Provisions.

The mechanics of the ECL method are summarised below:
Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For loan commitments, the ECL is recognised within Provisions.

3.15.3 Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

3.15.4 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to profit and loss account.

3.16 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.17 Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.18 Hedging

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

3.18.1 Fair value hedges

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in net gain on fair value changes.

The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationships fixed rate debt issued and other borrowed funds.

If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.

3.18.2 Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time re-mains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

3.18.3 Cost of hedging

The Company also may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract. Similarly currency basis spread may be separated and excluded from the designation of a financial instrument as the hedging instrument.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, or when an entity separates the foreign currency basis spread from a financial instrument and excludes it from the designation of that financial instrument as the hedging instrument, such amount is recognised in OCI and accumulated as a separate component of equity under Cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

3.19 Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.

4 Recent accounting pronouncements

Financial Year 2019-20

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

Financial Year 2018-19

Standard issued but not yet effective

Ind AS 116 : Leases

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019, notifying Ind AS 116, 'Leases'. Ind AS 116 replaces Ind AS 17 'Leases'. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IndAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personalcomputers) and short-term leases (i.e. leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e. the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e. the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

The Company is evaluating the requirements of Ind AS 116 and its effect on the financial statements .

Annexure V

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 5 : Cash and cash equivalents		
Cash on hand	0.03	0.33
Balance with banks		
In current accounts	1,999.99	329.68
In fixed deposit accounts	0.25	158.15
Total	**2,000.27**	**488.16**

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 6: Bank Balances other than cash and cash equivalents		
Balances with banks in fixed deposits to the extent held as margin money or security against the borrowings, guarantees, other commitments[(1)]	52.36	52.53
Total	**52.36**	**52.53**

(1) Deposits accounts with bank are held as Margin Money/ are under lien. The Company has the complete beneficial interest on the income earned from these deposits.

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 7: Loans (at amortised cost)		
Term Loans(Net of Assignment)[(1 & 2)]	11,974.26	15,841.31
Total (A) Gross	**11,974.26**	**15,841.31**
Less: Provision for Impairment due to expected credit loss [(Refer Note 7.5)]	267.77	91.48
Total (A) Net	**11,706.49**	**15,749.83**
Secured by tangible assets and intangible assets [(3)]	9,685.97	15,684.20
Unsecured	2,288.29	157.11
Total (B) Gross	**11,974.26**	**15,841.31**
Less: Provision for Impairment due to expected credit loss [(Refer Note 7.5)]	267.77	91.48
Total (B) Net	**11,706.49**	**15,749.83**
Loans in India		
Others	11,974.26	15,841.31
Total (C) (1) Gross	**11,974.26**	**15,841.31**
Less: Provision for Impairment due to expected credit loss [(Refer Note 7.5)]	267.77	91.48
Total (C) (1) Net	**11,706.49**	**15,749.83**
Loans outside India	**-**	**-**
Total (C) (2) Gross	**-**	**-**
Less: Provision for Impairment due to expected credit loss [(Refer Note 7.5)]	**-**	**-**
Total (C) (2) Net	**-**	**-**
Total (C)	**11,706.49**	**15,749.83**

Note 7 : Loans (continued...)

(1) Term Loans (net of assignment):

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Total term loans	13,561.85	17,597.83
Add: Interest accrued on loans	151.66	145.96
Less: Loans assigned	1,739.25	1,902.48
Term loans(net of assignment)	**11,974.26**	**15,841.31**

(2) Secured loan includes loan to Director for Rs. Rs 0.56 crores (March 31, 2019: Rs 0.56 crores).

(3) Secured loans and other credit facilities given to customers are secured / partly secured by :
(a) Equitable mortgage of property and / or
(b) Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or
(c) Hypothecation of assets and / or
(d) Company guarantees and / or
(e) Personal guarantees and / or
(f) Negative lien and / or Undertaking to create a security.

7.1. Impairment allowance for loans and advances to customers

The company's Analytics Department has designed and operates its Internal Rating Model. The model is tested and calibrated periodically. The model grades loans on a four-point grading scale, and incorporates both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data of the group to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour. Some of the factors that the internal risk based model may consider are:

a) Loan to value
b) Type of collateral
c) Cash-flow and income assessment of the borrower
d) Interest and debt service cover
e) Repayment track record of the borrower
f) Vintage i.e. months on books and number of paid EMIs
g) Project progress in case of project finance

In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

The Internal Rating Model is dynamic and is calibrated periodically; the choice of parameters and division into smaller homogenous portfolios is thus also dynamic.

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification*.

Amount Rs. in crores

Risk Categorization	March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total
Very Good	8,128.98	-	-	8,128.98
Good	-	2,284.95	-	2,284.95
Average	-	1,061.30	-	1,061.30
Non-performing	-	-	347.37	347.37
Grand Total	**8,128.98**	**3,346.25**	**347.37**	**11,822.60**

Risk Categorization	March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total
Very Good	14,869.09	-	-	14,869.09
Good	170.74	303.81	-	474.55
Average	-	154.71	-	154.71
Non-performing	-	-	197.00	197.00
Grand Total	**15,039.83**	**458.52**	**197.00**	**15,695.35**

***The above table does not include the amount of interest accrued but not due.**

Note 7 : Loans (continued...)

An analysis of changes in the Provision for impairment due to expected credit loss in relation to Loans given is as follows:

Amount Rs. in crores

Particulars	March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total
Opening Balance	**39.80**	**3.33**	**48.35**	**91.48**
Provision created	96.95	110.28	0.29	207.52
Assets derecognised [including from loan sell downs], repaid and written off/written back	(17.80)	(2.08)	(11.34)	(31.22)
Transfers from Stage 1	(54.61)	28.66	25.94	(0.01)
Transfers from Stage 2	0.04	(13.46)	13.42	-
Transfers from Stage 3	0.00	0.00	(0.00)	-
Closing balance	**64.38**	**126.73**	**76.66**	**267.77**

Particulars	March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total
Opening balance	**9.70**	**2.62**	**12.14**	**24.46**
Provision created	36.10	2.90	36.53	75.53
Assets derecognised [including from loan sell downs], repaid and written off/written back	(8.34)	(0.17)	-	(8.51)
Transfers from Stage 1	(0.44)	0.28	0.16	-
Transfers from Stage 2	2.30	(2.30)	-	-
Transfers from Stage 3	0.48	-	(0.48)	-
Closing balance	**39.80**	**3.33**	**48.35**	**91.48**

The Company has adopted a conservative approach to expected credit loss [ECL] staging and accounts have been categorized as Stage 2 based on analysis of stress in particular industry segments – even if the loan accounts are regular in debt servicing.

IndAS ECL guidelines also do not permit creation of unattached ad-hoc/ counter-cyclical provisions outside of the analytically computed ECL provisions. Thus, this identification of stress in industry particular industry segments and categorizing a significantly larger number of loans as Stage 2 has formed the basis of the robust provisioning buffer the Company has created – as on March 31, 2020, the company had total provisions against loan book of ₹ 267.77 Crs which is 2.26% of the loan book.

The Company has also been conservative in accounting of loans where moratorium has been offered, and extended asset classification benefit for loans amounting to ₹ 165.14 Crs.

7.2. Impairment assessment

The Company's impairment assessment and measurement approach is set out in the notes below. It should be read in conjunction with the Summary of significant accounting policies.

7.2. (i) Probability of default

The Company considers a financial instrument as defaulted and classifies it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Company may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus, as a part of the qualitative assessment of whether an instrument is in default, the company also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such events occur, the company carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

“Classification of accounts into stage 2 is done on a conservative basis and typically accounts where contractual repayments are more than 30 days past due are classified in stage 2. Accounts usually go over 30 days past due owing to temporary mismatch in timing of the borrowers' or his/her business' underlying cash flows, and are usually quickly resolved. It has been the company's experience that resolution rates [movement from stage 2 to stage 1] are high and in FY19 99.9% [previous year 98.9%] of stage 2 assets moved to stage 1.

It is the company's policy to consider a financial instrument as ‘cured’ and therefore re-classified out of Stage 3 when none of the default criteria are present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade once the account is cured, and whether this indicates there has been a significant reduction in credit risk.

Note 7 : Loans (continued...)

7.2. (ii) Internal rating model and PD Estimation process
The company's internal rating and PD estimation process:

The company's Analytics Department has designed and operates its Internal Rating Model that factors in both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data of the group to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour. The PDs are computed for these homogenous portfolio segments. The PDs are also used for Ind-AS 109 ECL calculations and the Ind AS 109 Stage classification of the exposure.

7.2 (iii) Exposure at default
The outstanding balance as at the reporting date is considered as EAD by the company. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

7.2. (iv) Loss given default
The Company uses historical loss data of the group for identified homogenous pools for the purpose of calculating LGD. The estimated recovery cash flows are discounted such that the LGD calculation factors in the NPV of the recoveries.

7.2. (v) Significant increase in credit risk
The internal rating model evaluates the loans on an ongoing basis. The rating model also assesses if there has been a significant increase in credit risk since the previously assigned risk grade One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

7.2. (vi) Company's financial assets measured on a collective basis
For Stage 3 assets ECL is calculated on an individual basis.

For stages 1 and 2 the internal rating model analyses historical empirical data, determines parameters that are indicative of future credit risk and segments the portfolio on the basis of a combination of these parameters into smaller homogeneous portfolios. The loss estimation for these pools is hence done on a collective basis. In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

7.3. Inputs to the ECL model for forward looking economic scenarios
The internal rating model also provides for calibration to reflect changes in macroeconomic parameters and industry specific factors.

7.4. Collateral
The company is in the business of extending secured loans mainly backed by mortgage of property (residential or commercial).

In addition to the above mentioned collateral, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, share pledge, guarantees of parent/holding companies, personal guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts etc.

In its normal course of business, the Company does not physically repossess properties or other assets, but recovery efforts are made on delinquent loans through on-rolls collection executives, along with legal means to recover due loan repayments. Once contractual loan repayments are more than 90 days past due, repossession of property may be initiated under the provisions of the SARFAESI Act 2002. Re-possessed property is disposed of in the manner prescribed in the SARFAESI act to recover outstanding debt.

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral at March 31, 2019. There was no change in the Company's collateral policy or collateral quality during the year.

7.5 Impact of Covid-19 and provision for impairment due to expected credit loss

The outbreak of COVID–19 virus continues to spread across the globe including India, resulting into a significant decline and volatility in financial markets and a significant decrease in global and India's economic activities. The Government of India announced a strict 40-day nation-wide lockdown to contain the spread of the virus till May 3, 2020, which was further extended till June 08, 2020. This has led to significant disruptions and dislocations for individuals and businesses. The recent directions from Government allows for calibrated and gradual withdrawal of lockdown and partial resumption of selected economic activities. The extent to which the COVID 19 pandemic will impact the Company's business is dependent on several factors including, but not limited to, pace of easing of the lockdown restrictions.

Note 7 : Loans (continued...)

A. In accordance with the Reserve Bank of India's guidelines relating to CoVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the Company has granted moratorium of three months on the payment of all instalments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers who have requested for the moratorium, as per its Board approved policy. The RBI via press release dated May 22, 2020 has permitted lending institutions to extend the moratorium by another three months, i.e., from June 1, 2020 to August 31, 2020. The Company has extended the EMI moratorium to its customers based on requests received from such customers, as per its Board approved policy. In accordance with the guidance from the ICAI and in management's view, the extension of the moratorium to the Company's borrowers by the Company pursuant to the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020 and RBI press release, by itself is not considered to result in a significant credit risk (SICR) of such borrowers.

The Company is mainly engaged in the business of financing by way of loans against property (LAP), mortgage backed SME loans, and certain other purposes in India. Operations of all these segments were impacted over the past few years and consequent to COVID 19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collaterals held by the Company. The Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segments. Further, the Company has also analysed its outstanding exposures viz a viz the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, the Company has recorded a provision for impairment due to expected credit loss (ECL), of Rs.267.77 crores in respect of its loans and advances as at 31 March 2020, to reflect, among other things, an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the unique nature and scale of the economic impact of this pandemic, the expected credit loss is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated. As a result of this pandemic, the credit performance and repayment behaviour of the customers' needs to be monitored closely. In the event the impact of pandemic is more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the financial assets, results of operations and the financial position of the Company.

B. The Company has considered the following key matters in determining its liquidity position for the next 12 months:

a. Schemes announced by the Government of India, which will directly benefit Non-Banking Financial Companies through guarantees from the Government of India. The Company has evaluated these schemes and is considering applications to seek fund under the schemes;
b. Current status / outcomes of discussions with the Company's lenders, seeking moratorium on the Company's debt service obligations to such lenders;
c. Status of its requests for additional funding, from existing lenders as well as others.
Based on the detailed assessment of the monthly cash inflows and outflows for next 12 months and the management has concluded that it will be able to meet its obligations.

Amount Rs. in crores

	As at March 31, 2020			
	At amortised Cost	**At fair value through profit or loss**	**Others**	**Total**
Note 8: Investments				
In units of Mutual funds (Refer footnotes 1 & 2 below)	-	994.37	-	994.37
Debt securities (Refer footnote 3 below)	-	596.06	-	596.06
In equity shares of Subsidiary company (Refer footnote 4 below)	-	-	2.12	2.12
Total gross	**-**	**1,590.43**	**2.12**	**1,592.55**
Less: Allowance for impairment loss	-	-	2.12	2.12
Total net	**-**	**1,590.43**	**-**	**1,590.43**

(1) Includes investment in mutual funds of Rs. 13.31 crores under lien / provided as credit enhancement in respect of assignment deal for loans, entered into during the year ended March 31, 2020.
(2) Investments in units of mutual funds includes investments in units of alternative investment funds.
(3) Investments in debt securities includes investments in security receipts of asset reconstruction company in respect of restructuring of certain loans
(4) During the financial year ended March 31, 2020, the Company has invested Rs 0.57 crore (March 31, 2019: Rs 0.70 crore) into equity shares of its wholly owned subsidiary, Indiabulls Asset Management Mauritius (a private company, limited by shares registered in Mauritius, holding a Category 1 Global Business License), by subscribing to 80,000 shares (March 31, 2019: 100,000 shares of face value of USD 1 per share. The subsidiary company is since in the process of being liquidated as per the applicable regulations in the country of its incorporation, Mauritius. Accordingly, the Company has recognized a provision for impairment in the value of its investment of Rs. 2.12 crores, during the year ended March 31, 2020.

Amount Rs. in crores

	As at March 31, 2019			
	At amortised Cost	**At fair value through profit or loss**	**Others**	**Total**
In units of Mutual funds	-	292.65	-	292.65
Debt securities	-	123.02	-	123.02
In equity shares of Subsidiary company	-	-	1.55	1.55
Total gross	**-**	**415.67**	**1.55**	**417.22**
Less: Allowance for Impairment loss	-	-	-	-
Total net	**-**	**415.67**	**1.55**	**417.22**

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 9: Other financial assets		
Security deposit (Refer Note 35)	4.09	4.40
Interest only strip receivable	91.27	149.49
Interest accrued on Fixed Deposit accounts	1.65	2.10
Interest accrued on investments	25.01	5.17
Other financial assets	7.53	3.10
Total	**129.55**	**164.26**

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note10: Deferred tax assets /(liabilities) (net)		
Deferred tax assets:		
Arising on account of temporary differences due to:		
Provision for employee benefits	1.44	1.89
Property, plant and equipment	0.69	0.01
Provision for Impairment due to expected credit loss	67.39	31.97
Disallowance under section 35DD of the Income Tax Act,1961	-	0.01
EIR adjustment on loans	4.96	13.57
Right of use assets	0.09	-
Provision for diminution in value of investment	0.53	-
	75.10	**47.45**
Deferred tax liabilities:		
Arising on account of temporary differences due to:		
Difference between accounting income and taxable income on investments	16.98	0.97
Provision for bad debts under section 36(1)(viia) of the Income Tax Act,1961	2.19	5.48
Interest only strip receivable	20.43	46.69
EIR adjustments on borrowings	7.13	0.13
	46.73	**53.27**
Net	**28.37**	**(5.82)**

Movement in deferred tax balances

Amount Rs. in crores

March 31, 2020	Balance as on April 01, 2019	Rate change impact in Profit and Loss	Recognised in Profit and loss	Recognised in retained earnings	Recognised in OCI	Balance as on March 31, 2020
Arising on account of temporary differences due to:						
Provision for employee benefits	1.89	(0.53)	0.06	-	0.02	1.44
Provision for Impairment due to expected credit loss	31.97	(8.94)	44.36	-	-	67.39
Disallowance under section 35DD of the Income Tax Act,	0.01	-	(0.01)	-	-	-
EIR adjustment on loans	13.57	(3.80)	(4.81)	-	-	4.96
Property, plant and equipment	0.01	-	0.68	-	-	0.69
Difference between accounting income and taxable income on investments	(0.97)	0.27	(16.28)	-	-	(16.98)
Provision for bad debts under section 36(1)(viia) of the Income Tax Act,1961	(5.48)	1.53	1.76	-	-	(2.19)
Interest only strip receivable	(46.69)	13.06	13.20	-	-	(20.43)
EIR adjustments on borrowings	(0.13)	0.04	(7.04)	-	-	(7.13)
Right of use assets	-	-	0.09	-	-	0.09
Provision for diminution in value of investment	-	-	0.53	-	-	0.53
Deferred tax assets/ (liabilities)	**(5.82)**	**1.63**	**32.54**	**-**	**0.02**	**28.37**

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 11 :Non-current assets held for sale		
Immovable properties	580.52	-
Total	**580.52**	**-**

The Company classifies non-current assets as held for sale when their carrying amounts will be recovered principally through sale rather than through continuing use in accordance with Ind AS 105 - Non-current assets held for sale and Discontinued operations. Assets classified as held for sale are not amortised or depreciated. Non-current assets for sale are measured at the lower of their carrying amount and fair values less costs to sell, are are presented separately on the face of the balance sheet.

Note 12 **Annexure V**

Note 12.1 Property, plant and equipment

Amount Rs. in crores

	Leasehold Improvements	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipment	Land	Total
Gross block							
At April 1, 2018	0.12	1.64	0.55	7.60	0.47	0.10	10.48
Additions	0.96	0.22	0.25	2.89	0.30	-	4.62
Disposals	-	-	-	-	-	-	-
At March 31, 2019	**1.08**	**1.86**	**0.80**	**10.49**	**0.77**	**0.10**	**15.10**
Additions	0.22	0.01	0.02	-	0.06	-	0.31
Disposals	0.40	0.02	0.07	0.02	0.14	-	0.65
At March 31, 2020	**0.90**	**1.85**	**0.75**	**10.47**	**0.69**	**0.10**	**14.76**
Depreciation							
At April 1, 2018	0.02	1.24	0.13	2.17	0.33	-	3.89
Charged for the year	0.08	0.32	0.07	2.03	0.10	-	2.60
Disposals	-	-	-	-	-	-	-
At March 31, 2019	**0.10**	**1.56**	**0.20**	**4.20**	**0.43**	**-**	**6.49**
Charged for the year	0.12	0.16	0.08	1.96	0.10	-	2.42
Disposals	0.05	0.02	0.01	-	0.04	-	0.12
At March 31, 2020	**0.17**	**1.70**	**0.27**	**6.16**	**0.49**	**-**	**8.79**
Net Block							
At March 31, 2019	**0.98**	**0.30**	**0.60**	**6.29**	**0.34**	**0.10**	**8.61**
At March 31, 2020	**0.73**	**0.15**	**0.48**	**4.31**	**0.20**	**0.10**	**5.97**

Note 12.2 Other Intangible assets

Amount Rs. in crores

	Software	Total
Gross block		
At April 1, 2018	9.84	9.84
Additions	-	-
Disposals	-	-
At March 31, 2019	9.84	9.84
Additions	-	-
Disposals	-	-
At March 31, 2020	**9.84**	**9.84**
Amortization		
At April 1, 2018	3.61	3.61
Charged for the year	2.46	2.46
At March 31, 2019	**6.07**	**6.07**
Charged for the year	2.46	2.46
At March 31, 2020	**8.53**	**8.53**
Net block		
At March 31, 2019	**3.77**	**3.77**
At March 31, 2020	**1.31**	**1.31**

Note 12.3 Right of use Assets (Refer Note 43)

Amount Rs. in crores

		Total
Gross block		
Balance as at April 1, 2019 - on account of implementation of Ind AS 116	15.20	15.20
Disposals	5.84	5.84
At March 31, 2020	**9.36**	**9.36**
Amortization		
At April 1, 2019	-	-
Charged for the year	3.99	3.99
At March 31, 2020	**3.99**	**3.99**
Net block		
At March 31, 2020	**5.37**	**5.37**

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note13: Other non financial assets		
Capital advances	0.02	0.18
Unamortised portion of deemed cost for corporate guarantees	37.49	40.15
Other non financial assets	8.87	18.84
Total	**46.38**	**59.17**

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 14: Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises; and (Refer Note 37)	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.01	5.15
Total	**0.01**	**5.15**

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note15: Debt securities (at amortised cost)		
Secured*		
Debentures (Refer note : 34(i))	2,440.38	2,215.22
Total	**2,440.38**	**2,215.22**
Debt securities in India	2,440.38	2,215.22
Debt securities outside India	-	-
Total	**2,440.38**	**2,215.22**

* Redeemable Non-Convertible Debentures are secured against mortgage of immovable property, hypothecation of other financial assets and current and future loan assets of the Company except such receivable specifically charged (including investment).

The Company has, in all material respects, utilised the proceeds of issue of the above debt securities as stated in the respective offer document. There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.

	As at March 31, 2020	As at March 31, 2019
Note16: Borrowings (at amortised cost)		
Secured		
Loan from bank and Others (1 & 2) (Refer note : 34(ii))	5,333.07	5,827.63
Cash credit facility/Working Capital Demand loans/ Overdraft from banks (2&5)	15.00	36.21
Loans from related parties		
- from Holding Company - Indiabulls Housing Finance Limited (2, 3 & 4)	588.42	247.00
Unsecured		
Bank overdraft (5)	-	2,136.60
Securitisation Liability (Refer Note 44)	146.61	-
Lease Liability (Refer Note 43)	5.72	-
Total	**6,088.82**	**8,247.44**
Borrowings in India	6,088.82	8,247.44
Borrowings outside India	-	-
Total	**6,088.82**	**8,247.44**

(1) Secured by hypothecation of loan receivables(Current and Future), other financial assets, cash and cash equivalents) of the Company(including investment) and bank balance other than Cash and cash equivalents.

(2) Linked to reference rate used by respective lenders.
(3) Secured by hypothecation of receivables(Current and Future) of the Company
(4) Repayable at any time before expiry at the end of 48 months from the date of disbursement.
(5) The Company has availed cash credit revolving facility from a bank with a tenor of 12 months and the same is repayable on demand. The cash credit facility is secured by way of pari passu charge on current assets including loans and advances and receivables of the Company with a minimum security cover of 1.25 times and a letter of comfort issued by the Holding Company.

There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 17: Subordinated liabilities (at amortised cost)		
Subordinate debt (unsecured) (Refer note : 34(iii))	348.86	343.96
Total	**348.86**	**343.96**
Subordinated liabilities in India	348.86	343.96
Subordinated liabilities outside India	-	-
Total	**348.86**	**343.96**

The Company has, in all material respects, utilised the proceeds of issue of the above debt securities as stated in the respective offer document. There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 18: Other financial liabilities		
Interest accrued but not due on borrowings	160.93	145.88
Amount payable on assigned loans	195.34	46.44
Other liabilities	84.36	51.10
Temporary overdrawn Balances as per books	2,616.53	1,560.94
Servicing liability on assigned loans	10.11	15.87
Total	**3,067.27**	**1,820.23**

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 19: Provisions		
Provision for employee benefits (Refer Note 39)		
Compensated absences	1.35	1.36
Gratuity	4.32	4.07
Provision for corporate dividend tax on preference share dividend	-	2.78
Total	**5.67**	**8.21**

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Note 20: Other Non-financial liabilities		
Statutory dues payable and other non financial liabilities	25.82	13.98
Total	**25.82**	**13.98**

Note 21: Equity share capital

Details of authorized, issued, subscribed and paid up equity share capital

	As at March 31, 2020		As at March 31, 2019	
Authorized equity share Capital(1 to 6)	**No of Shares**	**Amount Rs. in crores**	**No of Shares**	**Amount Rs. in crores**
Equity shares of face value Rs. 10 each	250,000,000	250.00	250,000,000	250.00
Total	**250,000,000**	**250.00**	**250,000,000**	**250.00**

(1) Pursuant to and in terms of the Scheme of Arrangement as approved by the Hon'ble High Court of Delhi vide its order dated March 15, 2016, the authorised share capital of the Company was increased from Rs. 55 crore to Rs. 66 crore, divided into 43,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of face value of Rs.10 each.

(2) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013,and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on October 12, 2017 the Company's authorised share capital was increased from Rs. 66 crore to Rs. 72.73 crore, divided in to 50,226,573 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

(3) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013,and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on March 1, 2018 the Company's authorised share capital was increased from Rs. 72.73 crore to Rs. 85 crore divided in to 62,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

(4) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013,and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on May 31, 2018 the Company's authorised share capital was increased from Rs. 85 crore to Rs. 135 crore divided in to 112,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

Note 21 : Equity share capital (continued…)

(5) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013,and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on January 28, 2019 the Company's authorised share capital was increased from Rs. 135 crore to Rs. 250 crore divided in to 227,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

(6) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013,and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on March 14, 2019 the Company's authorised share capital was increased from Rs. 250 crore to Rs. 272.50 crore divided in to 250,000,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

	As at March 31, 2020		As at March 31, 2019	
Issued , Subscribed & Paid up capital (refer i to vi)	**No of Shares**	**Amount Rs. in crores**	**No of Shares**	**Amount Rs. in crores**
Equity shares of face value Rs. 10 each	247,799,324	247.80	247,799,324	247.80
Total	**247,799,324**	**247.80**	**247,799,324**	**247.80**

(i) Terms/ rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Consequent upon the increase in authorised share capital, on October 12, 2017, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on October 31, 2017 granted their approval and the Company issued and allotted 7,400,285 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 135.13 per equity share fully paid (including securities premium of Rs. 125.13 per share), ranking pari passu with existing shares.

(iii) Consequent upon the increase in authorised share capital, on March 1, 2018, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on March 22, 2018 granted their approval and the Company issued and allotted 10,344,828 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 145 per equity share fully paid (including securities premium of Rs. 135 per share), ranking pari passu with existing shares.

(iv) Consequent upon the increase in authorised share capital, on May 31, 2018 , and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on June 20, 2018 granted their approval and the Company issued and allotted 47,077,923 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 154 per equity share fully paid (including securities premium of Rs. 144 per share), ranking pari passu with existing shares.

(v) Consequent upon the increase in authorised share capital, on January 28, 2019, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on February 22, 2019 granted their approval and the Company issued and allotted 117,650,000 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 170 per equity share fully paid (including securities premium of Rs. 160 per share) for a consideration received of Rs. 20,000,500,000 , ranking pari passu with existing shares.

(vi) The Board of Directors of the Company, at their meeting held on March 25, 2019 granted their approval and the Company issued and allotted 22,500,000 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 80 per equity share fully paid (including securities premium of Rs. 70 per share) by conversion of the outstanding preference shares, ranking pari passu with existing shares, in accordance with the terms of the issue of such preference shares.

The reconciliation of equity shares outstanding at the beginning and at the end of the reporting year.

Name of the shareholder	**As at March 31, 2020**		**As at March 31, 2019**	
	No. of shares	**Amount Rs. in crores**	**No. of shares**	**Amount Rs. in crores**
Equity shares outstanding at the beginning of year	247,799,324	247.80	60,571,401	60.57
Add:				
Equity shares allotted during the year				
Shares issued for consideration received in cash during the year	-	-	164,727,923	164.73
Shares issued pursuant to conversion of Compulsorily convertible Preference Shares	-	-	22,500,000	22.50
Equity share outstanding at the end of year	**247,799,324**	**247.80**	**247,799,324**	**247.80**

Note 21 : Equity share capital (continued…)

Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares	% of holding	No. of shares	% of holding
Holding company				
Indiabulls Housing Finance Limited	247,799,324	100%	247,799,324	100%
Total	**247,799,324**		**247,799,324**	

Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash

Particulars	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Equity shares allotted as fully paid pursuant to contract without payment being received in cash	-	-	-	-	32,826,288

* 3,28,26,288 equity shares were allotted by the Company, for consideration other than cash, to the shareholders of IFCPL, pursuant to and in terms of the Scheme of Arrangement, approved by the Hon'ble High Court of Delhi vide its order dated March 15, 2016, which came into effect on March 31, 2016, with effect from the Appointed Date April 1, 2015

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Employee Stock Options: Refer note 36

Note 22: Preference share capital

Details of authorized, issued, subscribed and paid up preference share capital

	As at March 31, 2020		As at March 31, 2019	
Authorized preference share Capital	No of Shares	Amount Rs. in crores	No of Shares	Amount Rs. in crores
Preference shares of Rs. 10 each	22,500,000	22.50	22,500,000	22.50
Total	**22,500,000**	**22.50**	**22,500,000**	**22.50**

(i) On March 26, 2013 (“the Company”), pursuant to the approval granted by the Members of the Company, at the meeting held on March 26, 2013, has issued 22,500,000 10% Compulsory Convertible Preference Shares of face value Rs.10 per share at a premium Rs.80 to its holding Company Indiabulls Housing Finance Limited ("IHFL"). The said preference shares carry cumulative dividend @ 10% per annum. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of the Preference Shares is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to the Preference Shares. The Preference Shares are convertible into equity shares, at any time at the option of the Preference Shareholders or on the expiry of 20 years from the date of allotment viz., March 26, 2013.

(ii) The Board of Directors of the Company, at their meeting held on March 25, 2019 granted their approval and the Company issued and allotted 22,500,000 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 80 per equity share fully paid (including securities premium of Rs. 70 per share) by conversion of the outstanding preference shares, ranking pari passu with existing shares, in accordance with the terms of the issue of such preference shares.

The reconciliation of preference shares outstanding at the beginning and at the end of the reporting year.

Name of the shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount Rs. in crores	No. of shares	Amount Rs. in crores
Preference shares outstanding at the beginning of year	-	-	22,500,000	22.50
Add:				
Preference shares issued during the year	-	-	-	-
Less:				
Preference shares converted to fully paid up equity shares	-	-	(22,500,000)	(22.50)
Preference share at the end of year	-	-	**-**	**-**

Note 23: Other equity

Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Capital reserve		
Opening balance	0.17	0.17
Add: Additions during the year	-	-
Closing balance	**0.17**	**0.17**
Capital redemption reserve		
Opening balance	4.00	4.00
Add: Additions during the year	-	-
Closing balance	**4.00**	**4.00**
Securities premium account		
Opening balance	3,249.40	690.77
Add: Additions during the year	-	2,560.32
	3,249.40	**3,251.09**
Less: Share issue expenses	-	1.69
Closing balance	**3,249.40**	**3,249.40**
Special reserve u/s 36(1)(viii) of I Tax Act, 1961[(1)]		
Opening balance	86.65	42.91
Add: Additions during the year	-	43.74
Closing balance	**86.65**	**86.65**
Reserve fund [(2)]		
(U/s 45IC of the R.B.I. Act, 1934)		
Opening balance	203.30	138.70
Add: Amount transferred during the year	3.96	64.60
Closing balance	**207.26**	**203.30**
Fair value of corporate guarantee		
Opening balance	41.63	-
Add: Additions during the year	9.76	41.63
Closing balance	**51.39**	**41.63**
Debenture redemption reserve		
Opening balance	83.83	-
Add: Additions during the year	163.21	83.83
Closing balance	**247.04**	**83.83**
Share based payment reserve		
Opening balance	3.76	1.73
Add: Additions during the year	2.38	2.03
Closing balance	**6.14**	**3.76**
Retained earnings	307.10	454.50
Other Comprehensive income	-	0.01
Total	**4,159.15**	**4,127.25**

Note 23 : Other Equity (continued…)

(1) Special reserve u/s 36(1)(viii) of I Tax Act, 1961
In terms of Section 36(1)(viii) of the Income Tax Act, 1961, a deduction is allowed for income from eligible business viz, Income from providing long-term infrastructure finance, long-term finance for the construction or purchase houses in India for residential purposes and the business of providing long-term finance for industrial or agricultural development etc. The Company claims the deduction as it falls under some of the categories of eligible business as defined under Section 36(1)(viii) of the Income Tax Act, 1961. Consequently the Company has, as at year end, transferred an amount of Rs. Nil (Previous year Rs. 43.74 crore) to the special reserve account to claim deduction in respect of eligible business under the said section.

(2) Reserve fund
In terms of Section 45-IC of the RBI Act, 1934, the Company is required to transfer at least 20% of its Net Profits (after tax) to a reserve before any dividend is declared. As at the year end, the Company has transferred an amount of Rs. 3.96 crore (Previous year Rs. 64.60 crore) to the reserve fund.

(3) Capital reserve
The Company recognises profit and loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

(4) Securities premium
Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

(5) Capital redemption reserve
As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilized in accordance with the provisions of section 69 of the Companies Act, 2013.

(6) General reserve
The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss.

(7) Retained earnings
Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

(8) Debenture Redemption Reserve
The Companies Act, 2013 requires that where a company issues debentures, it shall create a debenture redemption reserve out of profits of the company available for payment of dividend. The Company is required to maintain a Debenture Redemption Reserve of 25% of the value of debentures issued by a public issue. The amounts credited to the debenture redemption reserve may not be utilised by the company except to redeem debentures. The Ministry of Corporate Affairs (MCA) has amended the Companies (Share Capital and Debenture) Rules, 2014, doing away with creation of debenture redemption reserve by NBFCs with respect to issue of non convertible debentures (NCDs). Vide the said amendment, now NBFCs are required on or before 30 April of each year to invest or deposit in prescribed securities, a sum not less than 15 per cent of the debentures maturing during the year ending on 31 March of the next year.

(9) Share based payment reserve
The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in share based payment reserve are transferred to share premium/retained earnings upon exercise of stock options by employees.

Amount Rs. in crores

	Year ended March 31, 2020			Year ended March 31, 2019		
	On financial assets measured at Amortised cost	**Interest income on securities classified at fair value through profit and loss**	**Total**	**On financial assets measured at Amortised cost**	**Interest income on securities classified at fair value through profit and loss**	**Total**
Note 24: Interest income						
Interest on loans	1,962.17	-	1,962.17	1,463.05	-	1,463.05
Interest on debt securities	-	45.11	45.11	-	4.97	4.97
Interest on deposits with banks	6.44	-	6.44	3.43	-	3.43
Total	**1,968.61**	**45.11**	**2,013.72**	**1,466.48**	**4.97**	**1,471.45**

Amount Rs. in crores

	Year ended March 31, 2020	Year ended March 31, 2019
Note 25: Dividend income		
Dividend income on mutual funds/shares	46.22	101.02
Total	46.22	101.02

Amount Rs. in crores

	Year ended March 31, 2020		Year ended March 31, 2019
Note 26: Fee and commission income		-	
Foreclosure income	40.51		35.07
Fee income from services	1.23		88.45
Total	**41.74**	**-**	**123.52**

Amount Rs. in crores

	Year ended March 31, 2020	Year ended March 31, 2019
Note 27: Net gain/(Loss) on fair value changes		
Net (profit)/loss on financial instruments at fair value through profit or loss [(1)]		
(i) On trading portfolio		
- Investments		
- Derivatives	0.67	(29.43)
(ii) On financial instruments designated at fair value through profit or loss	79.86	(40.97)
Total net gain/(loss) on fair value changes	**80.53**	**(70.40)**
Fair Value changes:		
-Realised	15.81	(67.65)
-Unrealised	64.72	(2.75)
Total net gain/(loss) on fair value changes	**80.53**	**(70.40)**

(1) In terms of its policy as approved by its Board of Directors which is consistent with its risk management strategy, the Company has hedged its exposure to variability of expected fair value of its investments in certain quoted securities by entering into a corresponding futures contracts of the securities. Accordingly, the Company has recorded a net gain of Nil (March 31, 2019: Rs. 0.18 crores), to the Statement of Profit and Loss against which accounting of fair value hedge has been adopted.

Amount Rs. in crores

	Year ended March 31, 2020	Year ended March 31, 2019
Note 28: Other income		
Miscellaneous Income	0.48	0.67
Sundry credit balances written back	0.01	0.02
Provision for compensated absences written back (Refer Note 39)	0.01	-
Gain on modification of lease (Refer Note 43)	0.31	-
Total	**0.81**	**0.69**

Amount Rs. in crores

	Year ended March 31, 2020 On financial assets measured at Amortised cost	Year ended March 31, 2019 On financial assets measured at Amortised cost
Note 29: Finance costs		
(a) Interest on:		
Debt securities	253.11	267.05
Borrowings (other than debt) (1)	862.44	506.87
Subordinated liabilities	31.29	29.95
(b) Processing and other Fee	9.12	18.35
(c) Bank charges	1.07	0.56
(d) Interest on lease liability (Refer Note 43)	1.15	-
(e) Other interest expenses	-	4.02
Total	**1,158.18**	**826.80**

(1) The Company has recognised premium amounting to Nil (March 31, 2019: Rs. Rs. 19.14 crores) on account of foreign currency forward exchange contracts entered into to hedge foreign currency risk of term loans from banks.

Amount Rs. in crores

	Year ended March 31, 2020	Year ended March 31, 2019
Note 30: Impairment on financial instruments		
Provision for impairment due to expected credit loss / bad debts Written Off (net of recoveries) (1) (Refer Note 7)	952.92	364.41
Total	**952.92**	**364.41**

(1) Provision for impairment due to expected credit loss / bad debts written off (net of recoveries) includes;

Amount Rs. in crores

Particulars	**Year ended March 31, 2020**	**Year ended March 31, 2019**
Provision for impairment due to expected credit loss	176.29	253.62
Bad debt written off*	776.63	110.79
Total	**952.92**	**364.41**

*Net off by bad debt recovery of Rs. 45.89 crore (Previous year:Rs. 1.24 crore).

Amount Rs. in crores

	Year ended March 31, 2020	Year ended March 31, 2019
Note 31: Employee benefits expenses		
Salaries and wages	23.81	28.77
Provision for gratuity, compensated absences (Refer Note 39)	0.84	0.85
Contribution to provident and other funds	0.54	0.47
Share based payments to employees	2.38	2.03
Staff welfare expenses	0.05	0.05
Total	**27.62**	**32.17**

Amount Rs. in crores

	Year ended March 31, 2020		Year ended March 31, 2019
Note 32: Other expenses			
Rent and other charges (Refer Note 43)	0.16		4.58
Rates and taxes	0.49		0.55
Repairs and maintenance	1.37		1.55
Stamp Duty	1.17		1.70
Communication Cost	0.11		0.15
Electricity and water	0.32		0.43
Printing and stationery	0.05		0.13
Advertisement and publicity	1.51		0.09
Loss on Sale of Fixed Assets	0.33		-
Provision for diminution on value of investment	2.12		-
Auditor's remuneration-for statutory audit	0.13		0.13
Legal and Professional charges	1.04		0.33
Service Charges	0.08		0.11
Expenditure on corporate social responsibility [1]	7.15		4.01
Travelling and Conveyance	0.30		0.38
Depository Charges	0.02		0.11
Collection Charges	0.01		-
Recruitment Expenses	0.01		0.02
Membership Fee	0.05		0.13
Miscellaneous Expenses	0.02		0.08
Total	**16.44**	**-**	**14.48**

(1) In respect of Corporate social responsibility activities, during the year ended March 31, 2020, the Company was required to spend gross amount of Rs. 7.15 crore (Previous year Rs. 4.01 crore) and Company has paid/spent Rs. 7.15 crore (Previous year Rs.4.01 crore) in respect of the such activities.

Indiabulls Commercial Credit Limited

Notes to the reformatted Ind AS standalone financial information

Annexure V

Note 33 : Tax Expenses

The major components of income tax expense for the years ended March 31, 2020 and March 31, 2019 are :

	Year ended March 31, 2020 Amount Rs. in crores	Year ended March 31, 2019 Amount Rs. in crores
Current income tax:		
Current income tax charge	41.62	110.71
Deferred tax:		
Relating to origination and reversal of temporary differences	(34.18)	13.57
Income tax expense reported in the statement of profit or loss	**7.44**	**124.28**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2020:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
	Amount Rs. in crores	
Accounting profit for the year (before income tax)	27.25	447.28
India's statutory income tax rate	25.168%	34.944%
Computed expected tax expense	6.86	156.30
Tax effect of amounts to reconcile expected income tax expense to reported income tax expense:		
Tax on Expenses / deductions allowed/disallowed in Income tax Act, 1961	1.80	1.41
Disallowance under section 14A of the Income Tax Act 1961	0.52	0.42
Deduction under section 36(i)(viii) of the Income Tax Act 1961	-	(15.29)
Net disallowance under section 36(i)(viia) of the Income Tax Act 1961	-	(1.17)
Tax Free Income	(11.63)	(35.30)
Capital Loss	(4.45)	15.95
Tax effect of expenditure/(income) not considered for tax provision (net)	15.97	1.96
Tax effect of revaluation of deferred tax due to change in Income tax rate	(1.63)	-
Income tax expense	**7.44**	**124.28**

The Company has elected to exercise the option permitted under 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The effective applicable corporate tax rate for the company is now 25.168%. Accordingly, the Company has recognized provision for Income Tax for the quarter and year ended March 31, 2020 and re-measured its Deferred Tax asset/liability basis the rate prescribed in the aforesaid section and recognized the effect of change by revising the annual effective income tax rate.

Indiabulls Commercial Credit Limited

Notes to the reformatted Ind AS standalone financial information

Annexure V

Note - 34

(i) Redeemable Non Convertible Debentures (payable at par unless otherwise stated)(Secured unless otherwise stated) include:

Amount Rs. in crores

Particulars	As at March 31, 2020	As at March 31, 2019
9.05% Redeemable Non convertible Debentures of Face value Rs.1,000,000 each Redeemable on July 07, 2023(1)	39.72	39.66
10.60% Redeemable Non convertible Debentures of Face value Rs.1,000,000 each Redeemable on June 29, 2021(1)	164.47	199.03
8.75% Redeemable Non convertible Debentures of Face value Rs.1,000,000 each Redeemable on July 28, 2020(1)	249.24	-
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2020(2)	0.11	0.10
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2020(2)	9.87	9.00
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021(2)	0.08	0.07
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021(2)	21.52	19.64
8.80% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021(2)	896.00	893.46
8.90% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021(2)	938.69	934.08
8.66% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023(2)	20.32	20.22
8.90% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023(2)	0.90	0.89
9.00% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023(2)	73.70	73.36
8.75% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028(2)	0.06	0.06
8.84% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028(2)	11.94	11.91
9.10% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028(2)	0.34	0.34
9.20% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2028(2)	13.42	13.40
Total	**2,440.38**	**2,215.22**

(1) Issued by way of private placement and listed on the Wholesale Debt Market Segment of the National Stock Exchange of India Limited and BSE Limited

(2) Issued in terms of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Companies Act, 2013 as amended and other applicable laws, by way of public issue, and listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

(ii) (a) Term Loans from banks /financial institutions as at March 31, 2020 includes(1):

Particulars	Amount Rs. in crores
Term Loan taken from Bank(s), These loans are repayable in Monthly instalment from the date of disbursement. The average balance tenure for these loans is 18 months from the Balance Sheet date.	123.98
Term Loan taken from Bank. These loans are repayable in half yearly instalment with moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 8 months from the Balance Sheet date.	6.00
Term Loans taken from financial institution. These loans are repayable in half yearly instalments. The average balance tenure for these loans is 49 months from the Balance Sheet date.	1,545.50
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 1 year from the date of disbursement. The balance tenure for this loan is 6 months from the Balance Sheet date.	74.98
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 3 month from the date of disbursement. The balance tenure for this loan is 39 months from the Balance Sheet date.	373.63
Term Loan taken from Banks. These loans are repayable in quarterly instalments from the date of disbursement. The average balance tenure for these loans is 13 months from the Balance Sheet date.	64.79
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 3 years from the date of disbursement. The average balance tenure for these loans is 31 months from the Balance Sheet date.	979.87
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 2 years from the date of disbursement. The average balance tenure for these loans is 27 months from the Balance Sheet date.	1,866.48
Term Loan taken from Bank(s), These loans are repayable in quarterly instalment with moratorium period of 6 months from the date of disbursement. The average balance tenure for these loans is 84 months from the Balance Sheet date.	297.84
Total	**5,333.07**

(1) Linked to reference rate used by respective lenders

Note - 34 (continued…)

(ii) (b) Term Loans from banks as at March 31, 2019 includes(1):

Particulars	Amount Rs. in crores
Term Loans taken from Banks. These loans are repayable in bullet at the end of the tenure from the date of disbursement. The average balance tenure for these loans is 15 months from the Balance Sheet date.	54.83
Term Loan taken from Bank. This loan is repayable in half yearly instalments with moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 21 months from the Balance Sheet date.	99.99
Term Loans taken from financial institution. These loans are repayable in half yearly instalments. The average balance tenure for these loans is 61 months from the Balance Sheet date.	1,940.00
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 1 year from the date of disbursement. The balance tenure for this loan is 18 months from the Balance Sheet date.	224.95
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 3 month from the date of disbursement. The balance tenure for this loan is 51 months from the Balance Sheet date.	488.59
Term Loan taken from Banks. These loans are repayable in quarterly instalments from the date of disbursement. The average balance tenure for these loans is 26 months from the Balance Sheet date.	89.71
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 3 years from the date of disbursement. The average balance tenure for these loans is 44 months from the Balance Sheet date.	979.82
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 2 years from the date of disbursement. The average balance tenure for these loans is 36 months from the Balance Sheet date.	1,949.74
Total	**5,827.63**

(1) Linked to reference rate used by respective lenders

(iii) Subordinated debt (unsecured) (repayable at par)

Particulars	As at March 31, 2020 Amount in crores	As at March 31, 2019 Amount in crores
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 08, 2027	58.52	58.40
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 30, 2027	39.00	38.92
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on January 05, 2028	49.96	49.97
8.85% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	100.00	100.00
8.80% Subordinated Debt of Face value of Rs.100,000 each Redeemable on May 2, 2028	96.92	96.67
8.85% Subordinated Debt of Face value of Rs.100,000 each Redeemable on March 28, 2028	4.46	-
Total	**348.86**	**343.96**

(iv) Changes in liabilities arising from financial activities includes negative movement on account of EIR adjustment and changes in foreign exchange rate for Rs. 24.50 crore (March 31, 2019: negative movement Rs. 45.23 crore)

Note - 35
Contingent Liability and Commitments :

i) Contingent liabilities not provided for in respect of:

(a) Bank guarantee of Rs. 17.00 crore (previous year: Rs. 17.00 crore) in favour of the Bombay Stock Exchange Ltd, in addition to security deposit of Rs. 3.00 crore provided by the Company, towards 1% of the amount raised via public issue of non-convertible debentures i.e. Rs. 2,000 crore, which have been listed on the Exchange, during the year ended March 31, 2019.

(b) The Company in the ordinary course of business, has various cases pending in different courts, however, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company.

ii) Capital commitments not provided for:

(a) Capital commitments (net of capital advances Rs. 0.02 crore (Previous year : Rs. 0.18 crore) on account of contracts remaining to be executed and not provided for, are estimated at Rs. 0.02 crore (Previous year : Rs. 0.10 crore) .

Note - 36
Employees Stock Options Plans (ESOS / ESOP Schemes) of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"):

(i) Grants During the Year:
There has been no new grants of Esops during the current financial year(Previous year 10,000,000 Esops)

(ii) Employee Stock Benefit Scheme 2019 ("Scheme").
The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of INDIABULLS HOUSING FINANCE LIMITED at its meeting held on November 6, 2019; and (b) a special resolution of the shareholders' of the Company passed through postal ballot on December 23, 2019, result of which were declared on December 24, 2019.

This Scheme comprises:
a. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Option Plan 2019 ("ESOP Plan 2019")
b. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
c. INDIABULLS HOUSING FINANCE LIMITED Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

In accordance with the ESOP Regulations, Indiabulls Housing Finance Limited had set up Indiabulls Housing Finance Limited Employee Welfare Trust (Trust) for the purpose of implementation of ESOP Scheme. The Scheme is administered through ESOP Trust, whereby shares held by the ESOP Trust are transferred to the employees, upon exercise of stock options as per the terms of the Scheme

(iii) The other disclosures in respect of the ESOS / ESOP Schemes are as under:-

Particulars	**IHFL-IBFSL Employees Stock Option Plan II – 2006**	**IHFL-IBFSL Employees Stock Option – 2008**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**
Total Options under the Scheme	720,000	7,500,000	39,000,000	39,000,000	39,000,000	39,000,000
Total Options issued under the Scheme	720,000	7,500,000	10,500,000	10,500,000	100,000	10,000,000
Vesting Period and Percentage	Four years,25% each year	Ten years,15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
First Vesting Date	1st November , 2008	8th December, 2009	12th October, 2015	12th August, 2018	25th March, 2019	10th March, 2020
Revised Vesting Period & Percentage	Nine years,11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise Price (Rs.)	100.00	95.95	394.75	1,156.50	1,200.40	702.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	1,152	70,676	4,025,556	10,336,500	0	10,000,000
Regrant Addition	N.A	N.A	N.A	N.A	N.A.	N.A.
Regrant Date	N.A	N.A	N.A	N.A	N.A	N.A
Options vested during the year (Nos.)	-	-	2,004,000	-	-	-
Exercised during the year (Nos.)	-	54,812	111,800	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-
Lapsed during the year	-	0	124,000	2,612,500	-	3,117,600
Re-granted during the year	-	-	-	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	1,152	15,864	3,789,756	7,724,000	-	6,882,400
Exercisable at the end of the year (Nos.)	1,152	15,864	3,789,756	1,931,000	-	-
Remaining contractual Life (Weighted Months)	19	39	46	67	N.A	89

N.A - Not Applicable

Indiabulls Commercial Credit Limited

Notes to the reformatted Ind AS standalone financial information

Annexure V

Note - 36 (continued…)

Particulars	IHFL-IBFSL Employees Stock Option – 2008 -Regrant	IHFL-IBFSL Employees Stock Option – 2008-Regrant	IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant	IHFL-IBFSL Employees Stock Option – 2008 -Regrant	IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant
Total Options under the Scheme	N.A.	N.A.	N.A.	N.A.	N.A.
Total Options issued under the Scheme	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.	N.A.
First Vesting Date	31st December, 2010	16th July , 2011	27th August, 2010	11th January, 2012	27th August, 2010
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	125.90	158.50	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	15,030	38,880	39,500	3,000	21,900
Regrant Addition	N.A	N.A.	N.A.	N.A.	N.A.
Regrant Date	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	6,390	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	4,140	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	-	-	-	-	-
Re-granted during the year	N.A	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	10,890	38,880	39,500	3,000	21,900
Exercisable at the end of the year (Nos.)	10,890	19,440	39,500.00	1,500	21,900.00
Remaining contractual Life (Weighted Months)	50	57	53	63	53

N.A - Not Applicable

(iv) The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2006- Regrant	IHFL - IBFSL Employees Stock Option Plan II – 2006- Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.98%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.3	108.06	84.93
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%

Note - 36 (continued…)

Particulars	IHFL - IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013 (Grant 1)	IHFL ESOS - 2013 (Grant 2)	IHFL ESOS - 2013 (Grant 3)	IHFL ESOS - 2013 (Grant 4)
Exercise price (Rs.)	95.95	394.75	1,156.50	1,200.40	702.00
Expected volatility*	97.00%	46.30%	27.50%	27.70%	33.90%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	11 Years	5 Years	3 Years	3 Years	3 Years
Expected Dividends yield	4.62%	10.00%	5.28%	5.08%	7.65%
Weighted Average Fair Value (Rs.)	52.02	89.76	200.42	226.22	126.96
Risk Free Interest rate	6.50%	8.57%	6.51%	7.56%	7.37%

*The expected volatility was determined based on historical volatility data.

(v) 18,527,342 Equity Shares of Rs. 2 each (Previous Year : 24,552,194) of the Holding Company are reserved for issuance towards Employees Stock options as granted.

(vi) The weighted average share price at the date of exercise of these options was Rs. 682.59 per share(Previous year Rs. 782.49 per share).

Note - 37
Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Amount Rs. in crores

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note - 38
Segment Reporting:
The Chief Operating Decision Maker ("CODM") reviews operations and allocates resources at the Company level. Therefore, the operations of the Company fall under its main business of financing by way of loans loans against property (LAP), mortgage backed SME loans, and certain other purposes in India, which is considered to be the only reportable segment in accordance with IND-AS 108 - Operating Segments. All other activities of the Company revolve around the main business.

Note - 39
Employee Benefits

Employee Benefits – Provident Fund, Employee State Insurance (ESIC), Gratuity and Compensated Absences disclosures as per Indian Accounting Standard (IndAS) 19 – Employee Benefits:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of Rs. 0.54 crores (Previous year Rs. 0.47 crores) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (IndAS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosures in respect of Gratuity and Compensated Absences:

Particulars	Amount Rs. in crores			
	Gratuity (unfunded) March 31, 2020	**Gratuity (unfunded) March 31, 2019**	**Compensated absences (unfunded) March 31, 2020**	**Compensated absences (unfunded) March 31, 2019**
Reconciliation of liability recognized in the Balance Sheet:				
Present value of commitments (as per actuarial valuation)	4.32	4.07	1.35	1.36
Fair value of plans	-	-	-	-
Net liability in the Balance Sheet (Actual)	4.32	4.07	1.35	1.36
Movement in net liability recognized in the Balance Sheet:				
Net liability as at beginning of the year	4.07	3.52	1.36	1.32
Net expense/(gain) recognized in the Statement of Profit and Loss	0.84	0.82	(0.01)	0.04
Benefits paid during the year	(0.66)	(0.17)	-	-
Actuarial changes arising from changes in financial assumptions	0.53	0.09	-	-
Actuarial changes arising from changes in Demographic assumptions	0.00			
Experience adjustments	(0.46)	(0.19)	-	-
Net liability as at end of the year	4.32	4.07	1.35	1.36
Expense recognized in the Statement of Profit and Loss				
Current service cost	0.53	0.53	0.18	0.21
Past service cost	-	-	-	-
Interest cost	0.31	0.29	0.10	0.10
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	-	-	(0.29)	(0.27)
Expense/(Income) charged to the Statement of Profit and Loss	0.84	0.82	(0.01)	0.04
Return on plan assets:				
Expected return on plan assets	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Actual return on plan assets	-	-	-	-

Annexure V

Note - 39 (continued…)

Particulars	Amount Rs. in crores			
	Gratuity (unfunded) March 31, 2020	Gratuity (unfunded) March 31, 2019	Compensated absences (unfunded) March 31, 2020	Compensated absences (unfunded) March 31, 2019
Reconciliation of defined-benefit commitments:				
As at beginning of the year	4.07	3.52	1.36	1.32
Current service cost	0.53	0.53	0.18	0.21
Past service cost	-	-	-	-
Interest cost	0.31	0.29	0.10	0.10
Benefits paid during the year	(0.66)	(0.17)	-	-
Actuarial (gains)/ losses	-	-	(0.29)	(0.27)
Actuarial changes arising from changes in financial assumptions	0.53	0.09	-	-
Actuarial changes arising from changes in Demographic assumptions	0.00	-	-	-
Experience adjustments	(0.46)	(0.19)	-	-
Commitments as at end of the year	4.32	4.07	1.35	1.36
Reconciliation of plan assets:				
Plan assets as at beginning of the year	-	-	-	-
Expected return on plan assets	-	-	-	-
Contributions during the year	-	-	-	-
Paid benefits	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-
Plan assets as at end of the year	-	-	-	-

The actuarial calculations used to estimate commitments and expenses in respect of Gratuity and Compensated Absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	Gratuity (Unfunded)		Compensated Absences (Unfunded)	
	2019-2020	2018-2019	2019-2020	2018-2019
Discount rate – gratuity and compensated absences	6.80%	7.65%	6.80%	7.65%
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.
Expected rate of salary increase	6.00%	6.00%	6.00%	6.00%
Mortality table	IALM (2012 - 14)	IALM (2006-08)	IALM (2012 - 14)	IALM (2006-08)

N.A.: Not Applicable

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity and Compensated Absences is Rs. 0.84 crore (Previous year Rs. 0.92 crore) and Rs. 0.28 crore (Previous year Rs. 0.33 crore) respectively.

Gratuity

	March 31, 2020		March 31, 2019	
Assumptions	Discount rate			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation (Rs. in crores)	(0.30)	0.33	(0.29)	0.32
	March 31, 2020		March 31, 2019	
Assumptions	Future salary increases			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation (Rs. in crores)	0.33	(0.31)	0.32	(0.29)

Note - 39 (continued…)

Compensated absences

	March 31, 2020		March 31, 2019	
Assumptions	**Discount rate**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation (Rs. in crores)	(0.10)	0.11	(0.10)	0.11
	March 31, 2020		**March 31, 2019**	
Assumptions	**Future salary increases**			
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation (Rs. in crores)	0.11	(0.10)	0.11	(0.10)

The following payments are expected contributions to the defined benefit plan in future years: **Amount Rs. in crores**

	Gratuity		Compensated absences	
Expected payment for future years	**March 31, 2020**	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Within the next 12 months (next annual reporting period)	0.13	0.13	0.04	0.05
Between 1 and 2 years	0.09	0.08	0.03	0.03
Between 2 and 5 years	0.24	0.22	0.07	0.08
Between 5 and 6 years	0.08	0.08	0.02	0.02
Beyond 6 years	3.79	3.56	1.19	1.18
Total expected payments	**4.32**	**4.07**	**1.35**	**1.36**

Note - 40

Disclosures in respect of IND AS - 24 'Related Party Disclosures' :

The Company's principal related parties consist of its holding company, Indiabulls Housing Finance Limited and its subsidiaries, affiliates and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

(a) Details of related parties:

Description of relationship	**Names of related parties**
(i) Where control exists	
Holding company	Indiabulls Housing Finance Limited
Subsidiary company	Indiabulls Asset Management Mauritius
	ICCL Lender Repayment Trust (w.e.f. April 02, 2018)
Fellow subsidiary companies (including step down subsidiaries)	Indiabulls Advisory Services Limited
	Indiabulls Capital Services Limited
	Indiabulls Insurance Advisors Limited
	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
	Indiabulls Asset Holding Company Limited
	Indiabulls Collection Agency Limited
	Indiabulls Asset Management Company Limited
	Indiabulls Trustee Company Limited
	Ibulls Sales Limited
	Indiabulls Holdings Limited
	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Venture Capital Trustee Company Limited till March 8, 2019 (Subsidiary of Indiabulls Holdings Limited)
	IBHFL Lender Repayment Trust
	Indiabulls Housing Finance Limited – Employees Welfare Trust (w.e.f. December 03, 2019)
(ii) Other related parties	
Associate of holding company	Acorn Oaknorth Holdings Limited (previously known as Oaknoth Holdings Limited (till March 30, 2020))
Key management personnel	Mr. Ajit Kumar Mittal – Non-Executive Chairman
	Mr. Ripudaman Bandral – Managing Director
	Mr. Anil Malhan- Non Executive Director

Note - 40 (continued…)

(b) Significant transactions with related parties:

Amount Rs. in crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Issue of equity shares		
-Holding company	-	2,725.05
Total	**-**	**2,725.05**
Secured Loan taken (Maximum balance outstanding at any time during the year)		
-Holding Company	4,171.45	3,705.23
-Fellow Subsidiaries	-	18.50
Total	**4,171.45**	**3,723.73**
Investment in equity shares		
-Subsidiary Company	0.57	0.70
Total	**0.57**	**0.70**
Interest on loans		
-Holding Company	215.69	125.96
-Fellow Subsidiary	-	1.24
Total	**215.69**	**127.20**
Assignment of loans to		
-Holding Company	5,408.47	-
Total	**5,408.47**	**-**
Assignment of loans from		
-Holding Company	-	1,071.49
Total	**-**	**1,071.49**
Redemption of investment in bonds		
-Holding Company	500.00	230.00
Total	**500.00**	**230.00**
Interest income on bonds		
-Holding Company	14.59	3.00
Total	**14.59**	**3.00**
Interest expenses on bonds		
-Holding Company	41.07	-
Total	**41.07**	**-**
Service charges		
-Holding Company	0.07	0.05
Total	**0.07**	**0.05**
Payment of preference dividend		
-Holding Company	-	13.54
Total	**-**	**13.54**
Corporate counter guarantees given to third parties by:		
-Holding Company	2,300.00	2,015.00
Total	**2,300.00**	**2,015.00**
Referral Fees/commission		
-Fellow Subsidiary	0.48	-
Total	**0.48**	**-**

Indiabulls Commercial Credit Limited

Notes to the reformatted Ind AS standalone financial information

Annexure V

Note - 40 (continued…)

(b) Significant transactions with related parties (continued…):

Amount Rs. in crores

	Year ended March 31, 2020	Year ended March 31, 2019
Salary / remuneration(Consolidated)*		
-Key Management Personnel	2.18	1.90
Total	**2.18**	**1.90**
Salary / remuneration(Short-term employee benefits)		
-Key Management Personnel	1.51	1.75
Total	**1.51**	**1.75**
Salary / remuneration(Share-based payments)		
-Key Management Personnel	0.47	0.05
Total	**0.47**	**0.05**
Salary / remuneration(Post-employment benefits)		
-Key Management Personnel	0.20	0.10
Total	**0.20**	**0.10**

* Remuneration paid in excess of the limits specified under Section 197 and 198 of the Companies Act, 2013 was approved by the members of the Company in their extra-ordinary general meeting held on July 01, 2020.

(c) Balances outstanding as at the year end:

Amount Rs. in crores

Nature of Transaction	As at March 31, 2020	As at March 31, 2019
Loans taken		
-Holding company	588.42	247.00
Total	**588.42**	**247.00**
Investment in bonds		
-Holding company	565.63	97.41
Total	**565.63**	**97.41**
Outstanding Balance of Borrowings in Bonds held by:		
-Holding company	1,350.30	897.28
Total	**1,350.30**	**897.28**
Amount receivable/(payable) on assigned loans		
-Holding company	(109.12)	60.77
Total	**(109.12)**	**60.77**
Corporate counter guarantees given to third parties by:		
-Holding company	1,545.50	2,015.00
Total	**1,545.50**	**2,015.00**

(d) Disclosure related to Fair value of Corporate Guarantee taken from holding as per IND As 109, "Financial Instruments":

Amount Rs. in crores

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Deemed cost of fair value of corporate guarantee		
– Indiabulls Housing Finance Limited	12.43	1.47
Total	**12.43**	**1.47**
Addition to fair value of corporate guarantee		
– Indiabulls Housing Finance Limited	9.76	41.63
Total	**9.76**	**41.63**
Unamortised portion of deemed cost for corporate guarantees		
– Indiabulls Housing Finance Limited	37.49	40.15
Total	**37.49**	**40.15**

(e) The Company has established ICCL Lender Repayment Trust to which it transfers funds solely for the purpose of timely repayment of its borrowings. As at March 31, 2020, total funds amounting to Rs. 3.18 crores (Previous year Rs. Nil) were lying with such Trust for future repayments which have been included in Other financial assets.

Indiabulls Commercial Credit Limited

Notes to the reformatted Ind AS standalone financial information

Annexure V

Note - 40 (continued…)

(f) Statement of Party wise transactions during the Year:

Amount Rs. in crores

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Issue of equity shares		
Holding Company		
– Indiabulls Housing Finance Limited	-	2,725.05
Total	**-**	**2,725.05**
Secured Loans Taken*		
Holding Company		
– Indiabulls Housing Finance Limited	4,171.45	3,705.23
Total	**4,171.45**	**3,705.23**
Fellow Subsidiary		
– Nilgiri Financial Consultants Limited	-	18.50
Total	**-**	**18.50**
Investment in Equity Shares		
Subsidiary		
– Indiabulls Asset Management Mauritius	0.57	0.70
Total	**0.57**	**0.70**
Payment made for Redemption of Bonds to:		
Holding Company		
– Indiabulls Housing Finance Limited	500.00	230.00
Total	**500.00**	**230.00**
Corporate counter guarantees given to third parties for:		
Holding Company		
– Indiabulls Housing Finance Limited	2,300.00	2,015.00
Total	**2,300.00**	**2,015.00**
Assignment of Loans to		
Holding Company		
– Indiabulls Housing Finance Limited	5,408.47	-
Total	**5,408.47**	**-**
Assignment of Loans from		
Holding Company		
– Indiabulls Housing Finance Limited	-	1,071.49
Total	**-**	**1,071.49**
Income from Service Fee		
Holding Company		
– Indiabulls Housing Finance Limited	0.07	0.05
Total	**0.07**	**0.05**
Interest Income on Loan		
Holding Company		
– Indiabulls Housing Finance Limited	215.69	125.96
Total	**215.69**	**125.96**
Interest Expenses on Bonds		
Holding Company		
– Indiabulls Housing Finance Limited	41.07	-
Total	**41.07**	**-**
Payment of preference dividend		
Holding Company		
– Indiabulls Housing Finance Limited	-	13.54
Total	**-**	**13.54**
Interest income on Bonds		
Holding Company		
– Indiabulls Housing Finance Limited	14.59	3.00
Total	**14.59**	**3.00**
Referral Fees/commission		
Fellow Subsidiary		
– Indiabulls Advisory Services Limited	0.48	-
Total	**0.48**	**-**

Note - 40 (continued…)

(f) Statement of Party wise transactions during the Year(continued):

Amount Rs. in crores

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Salary / remuneration(Consolidated)		
– Ripudaman Bandral	2.18	1.90
Total	**2.18**	**1.90**
Salary / Remuneration(Short-term employee benefits)		
Remuneration to Directors		
– Ripudaman Bandral	1.51	1.75
Total	**1.51**	**1.75**
Salary / Remuneration(Share-based payments)		
– Ripudaman Bandral	0.47	0.05
Total	**0.47**	**0.05**
Salary / Remuneration(Post-employment benefits)		
– Ripudaman Bandral	0.20	0.10
Total	**0.20**	**0.10**

Note - 41
Earnings per share:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Profit available for Equity Shareholders (Rs. in crores)	19.81	323.00
Less: Provision for dividend on preference shares	-	2.25
Net Profit available for equity shareholders for computing Basic earnings per share (Rs. in crores)	19.81	320.75
Weighted average number of equity shares used for computing Basic earnings per share (Nos.)	247,799,324	110,010,875
Earnings per share – Basic (Rs. per share)	0.80	29.16
Net Profit available for equity shareholders for computing Diluted earnings per share (Rs. in crores)	19.81	320.75
Weighted average number of equity shares used for computing Diluted earnings per share (Nos.)	247,799,324	132,079,368
Earnings per share – Diluted (Rs. per share)	0.80	24.46
Nominal value of equity shares – (Rs. per share)	10.00	10.00

Note - 42
Risk Management

Indiabulls Commercial Credit Limited (ICCL) is a non banking finance company in India and is regulated by the Reserve Bank of India (RBI). In view of the intrinsic nature of its operations as a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective of the Company 's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. The Company 's risk management framework is driven by its Board of Directors and its subcommittees (including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee). The Company gives due importance to prudent lending practices and has implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The Company is exposed to a variety of risks, such as credit risk, market risk, liquidity risk, operational risk and regulatory risks. Well-established systems and procedures provide adequate defense against the regulatory and operational risks.

(A) Liquidity risk

Liquidity risk is the potential for loss to an entity arising from either its inability to meet its obligations or to fund increases in assets as they fall due without incurring unacceptable cost or losses.

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents (including highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flows) to meet its obligations at all times. It also ensures having access to funding through an adequate amount of committed credit lines. The Company's treasury department is responsible for liquidity and funding as well as settlement management. The Company assesses the liquidity position under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. The Company also takes into account liquidity of the market in which the entity operates. In addition, processes and policies related to such risks are overseen by the Asset Liability Management Committee and the senior management regularly monitors the position of cash and cash equivalents vis-à-vis projections. In addition, the Asset Liability Management Committee, guides the Company's treasury team in liquidity risk management through various means like liquidity buffers, sourcing of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions and approvals from banks and assignment of loans. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities :

Amount Rs. in Crores

March 31, 2020	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	Total
Borrowings from banks and others	35.79	7,333.03	2,611.10	693.03	10,672.95
Trade payables	-	0.01	-	-	0.01
Amount payable on assigned loans	195.34	-	-	-	195.34
Other liabilities	76.71	7.65	-	-	84.36
Temporary overdrawn balances as per books	2,616.53	-	-	-	2,616.53
Servicing liability on assigned loans	0.55	8.55	1.01	-	10.11
	2,924.92	**7,349.24**	**2,612.11**	**693.03**	**13,579.30**

March 31, 2019	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	Total
Borrowings from banks and others	80.89	6,396.75	6,271.75	538.59	13,287.98
Trade payables	-	5.15	-	-	5.15
Amount payable on assigned loans	46.44	-	-	-	46.44
Other liabilities	47.10	4.00	-	-	51.10
Temporary overdrawn balances as per books	1,560.94	-	-	-	1,560.94
Servicing liability on assigned loans	0.62	14.48	0.77	-	15.87
	1,735.99	**6,420.38**	**6,272.52**	**538.59**	**14,967.48**

(B) Credit Risk

Credit Risk is the risk of financial loss arising out of either a customer or counterparty's unwillingness to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Company. The Company's Credit Risk Management framework is categorized into following main components:

- Senior management's oversight
- Organizational structure
- Systems and procedures for identification, acceptance, measurement, monitoring and controlling risks.

It is the overall responsibility of the company's senior management to approve the Company's credit risk strategy and lending policies relating to credit risk and its management. The policies are based on the Company's overall business strategy and the same is reviewed every quarter by the senior management.

To maintain credit discipline and to enunciate credit risk management and control process there is a separate Risk Management department independent of loan origination function. The Risk Management department performs the function of Credit policy formulation, credit limit setting, monitoring of credit exceptions / exposures and review /monitoring of documentation.

The Risk Management Committee monitors credit risk the using level of credit exposures, portfolio monitoring, repurchase rate, bureau data of portfolio performance and industry, geographic, customer, portfolio concentration risks; and assessment of any major change in the business environment including economic, political as well as natural calamity/pandemic. The Risk Management Committee also periodically reviews the credit risk management procedures implemented by Risk management department.

Note - 42 (continued…)

Derivative financial Instruments
Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.
With gross–settled derivatives, the company is also exposed to a settlement risk, being the risk that the company honours its obligation, but the counterparty fails to deliver the counter value.

The Company's concentrations of risk for loans are managed by counterparty and type of loan (i.e. CRE-RH and others as defined by RBI. These are given to both individual and corporate borrowers. The table below shows the concentration of risk by type of loan.

Amount Rs. in Crores

	March 31, 2020	March 31, 2019
Commercial Real Estate - Residential Housing (CRE-RH)	3,300.83	8,280.58
Others	8,405.66	7,469.25

The Company's concentrations of risk (for financial assets other than loans and advances) by industry sector are given below:

Amount Rs. in Crores

March 31, 2020	Financial services	Government	Others	Total
Financial assets				
Cash and cash equivalents	2,000.27	-	-	2,000.27
Bank balance other than Cash and cash equivalents	52.36	-	-	52.36
Investments	1,590.43	-	-	1,590.43
Other financial assets	129.55	-	-	129.55

March 31, 2019	Financial services	Government	Others	Total
Financial assets				
Cash and cash equivalents	488.16	-	-	488.16
Bank balance other than Cash and cash equivalents	52.53	-	-	52.53
Investments	417.22	-	-	417.22
Other financial assets	164.26	-	-	164.26

(C) Market Risk
Market Risk is the risk that the value of the Company's on and off-balance sheet positions will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

Market risk exposure may be explicit in portfolios of securities / equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices.

The Company's exposure to market risk is primarily on account of interest rate risk and price risk.

(i) Interest Rate Risk:-
Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The company's lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the company's net interest income, while a long term impact is on the company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Due to the very nature of financial services, the company is exposed to moderate to higher Interest Rate Risk. This risk has a major impact on the balance sheet as well as the income statement of the company. Interest Rate Risk arises due to:

i) Changes in regulatory or market conditions affecting the interest rates
ii) Short term volatility
iii) Prepayment risk translating into a reinvestment risk
iv) Real interest rate risk.

Note - 42 (continued…)

In short run, change in interest rate affects Company's earnings (measured by NII or NIM) and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the company to not only quantify the interest rate risk but also to manage it proactively. The company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further company carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.

Interest Rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates (all other variables being constant) of the Company's statement of profit and loss:

Amount Rs. in Crores

Particulars	Basis Points	Effect on Profit before tax and Equity for the year ended March 31, 2020	Effect on Profit before tax and Equity for the year ended March 31, 2019
Borrowings			
Increase in basis points	+25	(17.05)	(12.71)
Decrease in basis points	-25	17.05	12.71
Loans			
Increase in basis points	+25	35.84	27.89
Decrease in basis points	-25	(35.84)	(27.89)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primary to the foreign currency borrowings taken from banks through the FCNR route.

The Company follows a conservative policy of hedging its foreign currency exposure through Forwards and / or Currency Swaps in such a manner that it has fixed determinate outflows in its function currency and as such there would be no significant impact of movement in foreign currency rates on the company's profit before tax (PBT) and equity.

(iii) Equity Price Risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either at fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets .

(D) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events.

Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The company recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

Note - 43
Leases
FY 2019-20

i) The Company has adopted the new standard, Ind AS 116 Leases with effect from 1st April, 2019 using the modified retrospective approach as per para C8 (c)(i) of Ind AS 116. The Company has taken the cumulative impact of applying the standard to retained earnings as on the date of initial application (1st April, 2019). Accordingly, the Company has not restated the comparative information.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 15.20 crores and a lease liability of Rs. 15.20 crores.

In statement of profit and loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

In the context of initial application, the Company has exercised the option not to apply the new recognition requirements to short-term leases. Accordingly, lease expenses of Rs. 0.16 crore pertaining to short term leases and low value assets has been charged to Statement of Profit and Loss.

(ii) The lease liabilities as at April 01, 2019 are reconciled to the operating lease commitments as of March 31, 2019, as follows:

	Amount Rs. In Crore
Operating lease commitments as at March 31, 2019	16.91
Weighted average incremental borrowing rate as at April 01, 2019	9.00%
Lease liabilities as at April 01, 2019	**15.20**

(iii) For leases previously accounted for as operating lease, the Company availed following practical expedients transition:

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

(iv) Leases where the Company is a Lessee

The Company has lease contracts for various office premises used in its operations. Leases of office premises generally have lease terms between 11 months to 12 years. The Company's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases of office premises with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

(b) Leases are shown as follows in the Company's balance sheet and Statement of profit and loss:

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	**Building - Office Premises**
	Amount Rs. In Crore
Balance as at April 01, 2019 - on account of implementation of Ind AS 116	15.20
Deletion (Terminated during the year)	(5.84)
Depreciation expense	3.99
Closing balance as at March 31, 2020	**5.37**

Set out below are the carrying amounts of lease liabilities (included under Borrowings (Other than Debt Securities)) and the movements during the period:

Particulars	**Amount Rs. In Crore**
Balance as at April 01, 2019 - on account of implementation of Ind AS 116	15.20
Deletion (Terminated during the year)	(6.15)
Accretion of interest	1.15
Payments	(4.47)
As at March 31, 2020	**5.72**
Current	**1.21**
Non-current	**4.52**

(c) Amounts recognized in the Statement of Profit and Loss for the financial Year 2019-20

Particulars	**Amount Rs. In Crore**
Depreciation expense of right-of-use assets	3.99
Interest expense on lease liabilities	1.15
Gain on termination of leases	(0.31)
Expense relating to short-term leases (included in other expenses)	0.16
Total amount recognised in profit or loss	**4.99**

Note - 43 (continued…)

The effective interest rate for lease liabilities is 9%, with maturity between 2021-2028

The Company had total cash outflows for leases of Rs. 4.47 crores in 31 March 2020.

(V) Lease disclosures under Ind-AS 17 for the comparative year ended March 31, 2019

The total lease payments recognised in the Statement of Profit and Loss towards the said leases are as follows:

Particulars	Year ended March 31, 2019
	Amount Rs. In Crore
Lease Payment (Rent)	4.58

Future lease cash outflows as at March 31, 2020

Particulars	Year ended March 31, 2020
	Amount Rs. In Crore
Not later than One year	1.65
Later than One year but not later than Five years	4.15
Later than Five Years	1.61

(vi) Lease Commitment as on March 31, 2019

The Company has taken office premises on Lease and Leave & License basis at various locations in India. Lease rent / License fees aggregating to Rs. 4.58 crores in respect of the same have been charged to the Statement of Profit and Loss. The agreements are executed for periods ranging from 11 months to 12 years with a renewable clause. In many cases, the agreements also provide for termination at will by either party by giving a prior notice period between 30 to 90 days. The minimum lease rentals outstanding as at March 31, 2019, are as under:

Particulars	Minimum Lease Rentals Year ended March 31, 2019
	Amount Rs. In Crore
Not later than One year	4.26
Later than One year but not later than Five years	7.82
Later than Five Years	4.83
	16.91

Note - 44
Transfers of financial assets

Transfers of financial assets that are not derecognised in their entirety

Securitisations: The company uses securitisations as a source of finance. Such transactions resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Company retains substantial risks and rewards.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Amount Rs. In Crore

Securitisations	As at March 31, 2020	As at March 31, 2019
Carrying amount of transferred assets measured at amortised cost	139.87	-
Carrying amount of associated liabilities	(146.60)	-

The carrying amount of above assets and liabilities is a reasonable approximation of their respective fair values

Note - 44 (continued…)

Assignment Deals
During the year ended March 31, 2020, the Company has sold certain loans (measured at amortised cost) pursuant to assignment deals, as a source of finance. As per the terms of such deals, since the derecognition criteria as per IND AS 109 are met, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer, the assets have been derecognised from the books of the Company.

The table below summarises the details of the derecognised loans (measured at amortised cost) and the consequent gain upon derecognition:

Amount Rs. in Crores

Loans (at amortised cost)	**For the year ended March 2020**	**For the year ended March 2019**
Amount of derecognised financial assets	1,139.85	1,861.03
Gain/(loss) from derecognition	8.26	96.36

Since the Company has derecognized the above loan assets in entirety, the whole of the interest spread at the present value (discounted over the expected life of the assets) is recognised on the date of derecognition itself as interest-only strip receivable and corresponding profit on derecognition of financial assets is recognized in the Statement of Profit and Loss.

Note - 45
Capital management
For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. 'The Company's capital management objectives are:
- to ensure the Company's ability to continue as a going concern
- to maintain a higher capital base than
the mandated regulatory capital at all times
- to maintain an optimal capital structure to reduce cost of capital
- to provide an adequate return to shareholders

The Company monitors capital using a capital adequacy ratio as prescribed by the RBI guidelines. Refer note 48 for details.

Note - 46
Fair value measurement
As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

46.1 Valuation principles
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions , regardless of whether that price is directly observable or estimated using a valuation technique.

46.2 Valuation governance
The Company's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units . Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.

Note - 46 (continued…)

46.3 Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

Amount Rs. in Crores

	March 31, 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets measured at fair value on a recurring basis				
Financial instruments measured at fair value through profit and loss				
Debt Securities	-	596.06	-	596.06
Mutual Funds	-	994.37	-	994.37
Equity instruments	-	-	-	-
Total financial instruments measured at fair value through profit and loss	-	1,590.43	-	1,590.43
Financial instruments measured at fair value through Other comprehensive income	-	-	-	-
Total assets measured at fair value on a recurring basis	**-**	**1,590.43**	**-**	**1,590.43**
Assets measured at fair value on a non-recurring basis	**-**	**-**	**-**	**-**
Total financial assets measured at fair value	**-**	**1,590.43**	**-**	**1,590.43**
Liabilities measured at fair value on a recurring basis	-	-	-	**-**
Liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total financial liabilities measured at fair value	**-**	**-**	**-**	**-**

Amount Rs. in Crores

	March 31, 2019			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets measured at fair value on a recurring basis				
Financial instruments measured at fair value through profit and loss				
Debt Securities	-	123.02	-	123.02
Mutual Funds	-	292.65	-	292.65
Equity instruments	-	-	-	-
Total financial instruments measured at fair value through profit and loss	-	415.67	-	415.67
Financial instruments measured at fair value through Other comprehensive income	-	-	-	-
Total assets measured at fair value on a recurring basis	**-**	**415.67**	**-**	**415.67**
Assets measured at fair value on a non-recurring basis				
Total financial assets measured at fair value	**-**	**415.67**	**-**	**415.67**
Liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total financial liabilities measured at fair value	**-**	**-**	**-**	**-**

46.4 Valuation techniques

Debenture and Bonds
Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at reporting date and are classified as Level 2.

Note - 46 (continued…)

Mutual Funds
Open ended mutual funds are valued at NAV declared by respective fund house and are classified under Level 2.

46.5 There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2020, March 31, 2019.

46.6 Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non–financial assets and non–financial liabilities.

Amount Rs. in Crores

	March 31, 2020				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Assets:					
Cash and cash equivalents	2,000.27	-	-	-	-
Bank balances other than cash and cash equivalents	52.36	-	-	-	-
Loans and advances	11,706.49	-	-	-	-
Other Financial assets	129.55	-	-	-	-
Total financial assets	13,888.67	-	-	-	-
Financial Liabilities:					
Trade payables	0.01	-	-	-	
Debt securities	2,440.38	-	2,337.33	-	2,337.33
Borrowing other than debt securities	6,088.82	-	-	-	-
Subordinated Liabilities	348.86	-	363.44	-	363.44
Other financial liabilities	3,067.27	-	-	-	-
Total financial liabilities	11,945.34	-	2,700.78	-	2,700.78
Off-balance sheet items:					
Other commitments	-	-	-	-	-
Total off-balance sheet items	-	-	-	-	-

Amount Rs. in Crores

	March 31, 2019				
	Carrying Value	Fair Value			
		Level 1	Level 2	Level 3	Total
Financial Assets:					
Cash and cash equivalents	488.16	-	-	-	-
Bank balances other than cash and cash equivalents	52.53	-	-	-	-
Loans and advances:	15,749.83	-	-	-	-
Other Financial assets:	164.26	-	-	-	-
Total financial assets	16,454.78	-	-	-	-
Financial Liabilities:					
Trade payables	5.15	-	-	-	-
Debt securities	2,215.22	-	2,229.72	-	2,229.72
Borrowing other than debt securities	8,247.44	-	-	-	-
Subordinated Liabilities	343.96	-	326.21	-	326.21
Other financial liabilities	1,820.23	-	-	-	-
Total financial liabilities	12,632.00	-	2,555.93	-	2,555.93
Off-balance sheet items:					
Other commitments	-	-	-	-	-
Total off-balance sheet items	-	-	-	-	-

Indiabulls Commercial Credit Limited

Notes to the reformatted Ind AS standalone financial information

Annexure V

Note - 46 (continued…)

46.7 Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Debt Securities & Subordinated liabilities

These includes Subordinated debt, secured debentures, unsecured debentures. The fair values of such liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk. These instrument are classified in Level 2.

Assets and Liabilities other than above

The carrying value of assets and liabilities other than investments at amortised cost, debt securities and subordinated liabilities represents a reasonable approximation of fair value.

Note - 47

Disclosures in terms of Annex II of the RBI Directions, 2016 (Disclosures are made as per Ind AS financial statements except otherwise stated) ;

Particulars	Amount Rs.in Lakhs			
	March 31, 2020		March 31, 2019	
Liabilities side:	**Amount Outstanding**	**Amount Overdue**	**Amount Outstanding**	**Amount Overdue**
(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:				
(a) Debentures : Secured[(1)]	256,204.09	Nil	231,942.27	Nil
: Unsecured[(3 &5)]	36,116.92	Nil	35,624.92	Nil
(other than falling within the meaning of public deposits)				
(b) Deferred Credits		Nil		Nil
(c) Term Loans[(2)]	536,003.77	Nil	585,702.15	Nil
(d) Inter-corporate loans and borrowing	Nil	Nil	Nil	Nil
(e) Commercial Paper	Nil	Nil	Nil	Nil
(f) Other Loans – (specify nature)				
– Loan from Holding Company	58,842.00	Nil	24,700.00	Nil
– From Banks-Cash Credit Facility[(4)]	1,500.44	Nil	1,863.82	Nil
– From Bank Overdraft facility	-	Nil	215,417.18	Nil

(1) Includes interest accrued but not paid for Rs.12,165.32 lakhs (Previous year Rs. 10,420.47 Lakhs)
(2) Includes interest accrued but not paid for Rs. 2,696.50 Lakhs (Previous year Rs. 2,938.98 Lakhs)
(3) Includes interest accrued but not paid for Rs. 1,231.02 Lakhs (Previous year Rs. 1,228.66 Lakhs)
(4) Includes interest accrued but not paid for Rs. 0.44 Lakhs (Previous year Rs. NIL)
(5) Unsecured non convertible debentures in the nature of subordinate debts

Assets side:	**Amount Rs. in lakhs Outstanding as at**	
	March 31, 2020	**March 31, 2019**
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below:]		
(a) Secured	953,430.88	1,553,824.09
(b) Unsecured	228,828.91	15,710.82
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors		
(a) Financial lease	Nil	Nil
(b) Operating lease	Nil	Nil
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	Nil	Nil
(b) Repossessed Assets	Nil	Nil
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	Nil	Nil
(b) Loans other than (a) above	Nil	Nil

Indiabulls Commercial Credit Limited

Notes to the reformatted Ind AS standalone financial information

Annexure V

Note - 47 (continued…)

Disclosures in terms of Annex II of the RBI Directions, 2016 (Disclosures are made as per Ind AS financial statements except otherwise stated) ;

(4) Break-up of Investments:	**Amount Rs. In lakhs Outstanding as at**	
	March 31, 2020	**March 31, 2019**
Current Investments		
1. Quoted:		
(i) Shares : (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	56,563.22	9,741.34
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others (please specify)	Nil	Nil
2. Unquoted:		
(i) Shares : (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	11,016.31	29,264.91
(iv) Government Securities	Nil	Nil
(v) Others (please specify)	Nil	Nil
Long Term investments :		
1. Quoted :		
(i) Shares : (a) Equity	Nil	Nil
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	Nil	Nil
(iv) Government Securities	Nil	Nil
(v) Others (please specify)	Nil	Nil
2. Unquoted :		
(i) Shares : (a) Equity	212.06	155.28
(b) Preference	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil
(iii) Units of mutual funds	89,738.69	Nil
(iv) Government Securities	Nil	Nil
(v) Others (Security Receipts)	3,042.86	2,560.74

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	**Amount net of provisions (Rs. in lakhs)**					
	March 31, 2020			**March 31, 2019**		
1.Related Parties	**Secured**	**Unsecured**	**Total**	**Secured**	**Unsecured**	**Total**
(a) Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil	Nil	Nil	Nil
2. Other than related parties*	926,653.85	228,828.91	1,155,482.76	1,544,676.35	15,710.82	1,560,387.17
Total	**926,653.85**	**228,828.91**	**1,155,482.76**	**1,544,676.35**	**15,710.82**	**1,560,387.17**

*Excludes Provision against loan assets of Rs. 26,777.03 Lakhs (Previous year Rs 9,147.74 Lakhs)

Note - 47 (continued…)

(6) Investor group-wise classification of all investments (Current and Long term) in shares and securities (both quoted and unquoted):

Category	March 31, 2020		March 31, 2019	
	Market Value / Break up or fair value or NAV (Rs. in lakhs)	Book Value (Net of Provision) (Rs. in lakhs)	Market Value / Break up or fair value or NAV (Rs. in lakhs)	Book Value (Net of Provision) (Rs. in lakhs)
1. Related Parties				
(a) Subsidiaries	212.06	-	155.28	155.28
(b) Companies in the same group	56,563.22	51,644.50	9,741.34	9,701.45
(c) Other related parties	Nil	Nil	Nil	Nil
2. Other than related parties:				
Investment in equity shares(quoted)	Nil	Nil	Nil	Nil
Investment in Units of mutual funds	99,436.93	98,029.62	29,264.91	29,264.91
Investment in Security Receipts	3,042.86	3,042.86	2,560.74	2,560.74
Total	**159,255.07**	**152,716.98**	**41,722.27**	**41,682.38**

(7) Other information:

Particulars	Amount (Rs. in lakhs)	
	March 31, 2020	March 31, 2019
(i) Gross Non-Performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	34,737.13	19,699.84
(ii) Net Non-Performing Assets		
(a) Related parties	Nil	Nil
(b) Other than related parties	27,071.58	14,864.93
(iii) Assets acquired in satisfaction of debt	Nil	Nil

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the Auditors.

Note - 48

Disclosures in terms of Annex XIV of the RBI Directions, 2016 (Disclosures are made as per Ind AS financial statements except otherwise stated) ;

(i) Disclosure of Capital to Risk Assets Ratio (CRAR):

Items	As at March 31, 2020	As at March 31, 2019
CRAR (%)	32.44%	27.88%
CRAR - Tier I Capital (%)	29.54%	25.41%
CRAR - Tier II Capital (%)	2.89%	2.47%
Amount of subordinated debt raised as Tier-II capital (Rs in Crores)	348.86	350.00
Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

– CRAR as at March 31, 2020 has been computed in line with RBI notification dated March 13, 2020 w.r.t. implementation of Indian Accounting standards, and hence, not comparable with CRAR as at March 31, 2019

Note - 48 (continued…)

(ii)(a) Exposure to Real Estate Sector:

Amount Rs. in crores

Category	As at March 31, 2020	As at March 31, 2019
Direct Exposure		
(a) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans up to Rs.15 lakh are Rs. 59.55 crore (Previous year Rs. Nil Crore).	1,809.87	0.23
(b) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	6,191.93	15,238.41
(c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
(i) Residential	Nil	Nil
(ii) Commercial Real Estate.	Nil	Nil
Total Exposure to Real Estate Sector	**8,001.80**	**15,238.64**

(ii)(b) Exposure to Capital Market:

Amount Rs. in crores

Particulars	As at March 31, 2020	As at March 31, 2019
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	5.18	292.65
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total Exposure to Capital Market	**5.18**	**292.65**

The above summary is prepared based on the information available with the Company.

Indiabulls Commercial Credit Limited

Notes to the reformatted Ind AS standalone financial information

Annexure V

Note - 48 (continued…)

(iii) Maturity pattern of certain items of assets and liabilities March 31,2020*:

Particulars	Amount Rs. in crores					
	Deposits	Advances	Investments	Borrowings	Foreign Currency assets	Foreign Currency Liabilities
1 to 7 days	-	256.39	98.39	-	-	-
8 to 14 days	-	24.95	-	-	-	-
15 days to 30 /31 days	-	90.03	-	8.87	-	-
Over one month to 2 months	-	350.56	19.50	8.91	-	-
Over 2 months to 3 months	-	429.40	1.25	254.13	-	-
Over 3 months to 6 months	-	751.26	20.00	1,026.48	-	-
Over 6 months to 1 year	-	1,947.42	0.25	906.28	-	-
Over 1 year to 3 years	-	5,284.01	1,490.33	5,658.41	-	-
Over 3 years to 5 years	-	2,996.18	-	471.41	-	-
Over 5 years	-	726.66	13.31	543.60	-	-
Total	**-**	**12,856.86**	**1,643.03**	**8,878.09**	**-**	**-**

(iii) Maturity pattern of certain items of assets and liabilities March 31, 2019*:

Particulars	Amount Rs. in crores					
	Deposits	Advances	Investments	Borrowings	Foreign Currency assets	Foreign Currency Liabilities
1 to 7 days	-	192.65	293.97	36.21	-	-
8 to 14 days	-	190.62	-	-	-	-
15 days to 30 /31 days	-	82.56	1.50	-	-	-
Over one month to 2 months	-	212.73	2.45	-	-	-
Over 2 months to 3 months	-	206.72	38.25	72.50	-	-
Over 3 months to 6 months	-	1,061.42	39.00	374.75	-	-
Over 6 months to 1 year	-	2,247.30	158.15	2,688.37	-	-
Over 1 year to 3 years	-	6,222.72	92.62	5,560.27	-	-
Over 3 years to 5 years	-	4,054.64	-	1,736.14	-	-
Over 5 years	-	1,615.44	1.55	391.41	-	-
Total	**-**	**16,086.79**	**627.49**	**10,859.65**	**-**	**-**

*In addition to the investments shown in the table above, the company also had cash, cash equivalents and bank balances of Rs. 488.16 Crores [previous year Rs. 267.71 Crores]
– Maturity pattern as at March 31, 2020 has been computed in line with RBI notification dated March 13, 2020 w.r.t. implementation of Indian Accounting standards, and hence, not comparable with maturity pattern as at March 31, 2019

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

(iv) Disclosures of Investments

Amount Rs. in crores

Particulars	As at March 31, 2020	As at March 31, 2019
(1) Value of Investments		
(i) Gross Value of Investments		
a) In India	1,590.43	415.67
b) Outside India	2.12	1.55
(ii) Provision for Depreciation		
a) In India	Nil	Nil
b) Outside India	2.12	Nil
(iii) Net Value of Investments		
a) In India	1,590.43	415.67
b) Outside India	0.00	1.55
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add: Provisions made during the year	2.12	-
(iii) Less: Write-off/write-back of excess provisions during the year	-	-
(iv) Closing balance	2.12	-

Note - 48 (continued…)

(v) Disclosures of Derivatives

(a) Forward Rate Agreement/Interest Rate Swap

Amount Rs. in crores

Particulars	March 31, 2020	March 31, 2019
(i) The notional principal of swap agreements	Nil	Nil
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Nil	Nil
(iii) Collateral required by the NBFC upon entering into swaps	Nil	Nil
(iv) Concentrations of credit risk arising from swaps	Nil	Nil
(v) The fair value of the swap book	Nil	Nil

(b) Exchange Traded Interest Rate (IR) Derivatives

Amount Rs. in crores

Particulars	March 31, 2020	March 31, 2019
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Nil	Nil
(ii) Notional principal amount of exchange traded IR derivatives outstanding (instrument-wise)	Nil	Nil
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"(instrument-wise)	Nil	Nil
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"(instrument-wise)	Nil	Nil

(c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

In the ordinary course of its business, the Company is exposed to risks resulting from changes in foreign currency exchange rates. It manages its exposure to these risks through derivative financial instruments. It uses derivative instruments such as forwards to manage these risks, in terms of its policy as approved by its Board of Directors which is consistent with its risk management strategy. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations. The Company's risk management activities are subject to the management, direction and control of Risk Management Committee of its Board of Directors, which reports to the Board on the scope of its activities. The Company has appropriately segregated the functions and activities pertaining to its derivative transactions. All derivative transactions entered into by the Company are reported to the Board, and the mark-to-market gain/loss on its portfolio is monitored regularly by the senior management. As at March 31, 2020, the Company has no outstanding forward exchange contract (previous year : Nil) to hedge foreign currency risk.

Quantitative Disclosures

Amount Rs. in crores

Particulars	March 31, 2020		March 31, 2019	
	Currency Derivatives	**Interest Rate Derivatives**	**Currency Derivatives**	**Interest Rate Derivatives**
(i) Derivatives (Notional Principal Amount)				
For hedging	Nil	Nil	Nil	Nil
(ii) Marked to Market Positions(1)				
(a) Asset(+)	Nil	Nil	Nil	Nil
(b) Liability(-)	Nil	Nil	Nil	Nil
(iii) Credit Exposure(2)	Nil	Nil	Nil	Nil
(iv) Unhedged Exposures	Nil	Nil	Nil	Nil

(vi)(a) Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

Amount Rs. in crores

Particulars	March 31, 2020	March 31, 2019
(i) No. of accounts	1	5
(ii) Aggregate value (net of provisions) of accounts sold to SC/RC	20.77	139.30
(iii) Aggregate consideration	20.00	53.03
(iv) Additional consideration realized in respect of accounts transferred in earlier years	NA	NA
(v) Aggregate gain/ (loss) over net book value	(0.77)	(86.27)

Note - 48 (continued…)

(vi)(b) Disclosures relating to Securitisation

Amount Rs. in crores

Particulars	As at March 31, 2020	As at March 31, 2019
(1) No of SPVs sponsored by the NBFC for securitisation transactions	Nil	Nil
(2) Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	Nil	Nil
(3) Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		
a) Off-balance sheet exposures		
* First loss	Nil	Nil
* Others	Nil	Nil
b) On-balance sheet exposures		
* First loss	Nil	Nil
* Others	Nil	Nil
(4) Amount of exposures to securitisation transactions other than MRR		
a) Off-balance sheet exposures		
i) Exposure to own securitisations		
* First loss	Nil	Nil
* loss		
ii) Exposure to third party securitisations		
* First loss	Nil	Nil
* Others	Nil	Nil
b) On-balance sheet exposures		
i) Exposure to own securitisations		
* First loss	Nil	Nil
* Others	Nil	Nil
ii) Exposure to third party securitisations		
* First loss	Nil	Nil
* Others	Nil	Nil

(vi)(c) Details of Assignment transactions undertaken by NBFCs

Amount Rs. in crores

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) No. of accounts	528	1,161
(ii) Aggregate value (net of provisions) of accounts sold	1,139.85	1,861.03
(iii) Aggregate consideration	1,139.85	1,861.03
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v) Aggregate gain/(loss) over net book value	Nil	Nil

(vi)(d) Details of non-performing financial assets purchased/sold

A. Details of non-performing financial assets purchased:

Amount Rs. in crores

Particulars	March 31, 2020	March 31, 2019
1. (a) No. of accounts purchased during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil
2. (a) Of these, number of accounts restructured during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil

B. Details of non-performing financial assets sold:

Amount Rs. in crores

Particulars	March 31, 2020	March 31, 2019
1. No. of accounts sold	Nil	Nil
2. Aggregate outstanding	Nil	Nil
3. Aggregate consideration received	Nil	Nil

(vii) No penalties have been imposed on the Company by RBI and other regulators for the Financial Year ended March 31, 2020 (March 31, 2019: Nil).

Note - 48 (continued…)

(viii)The Company has been assigned the following credit ratings during the year:

Deposits Instrument	Name of rating agency	Date of rating / revalidation	Rating assigned	Borrowing limit or conditions imposed by rating agency, if any (Amt. in Rs. Crs)
Bank Loan Facilities	CRISIL	24-Mar-20	CRISIL AA	2,500.00
Subordinate debt	CRISIL	24-Mar-20	CRISIL AA	500.00
NCDs	CRISIL	24-Mar-20	CRISIL AA	1,450.00
NCDs (Public Issue of retail secured redeemable non-convertible debentures)	CRISIL	24-Mar-20	CRISIL AA	3,000.00
NCDs (Public Issue of retail secured redeemable non-convertible debentures)	CRISIL	24-Mar-20	CRISIL AA	2,000.00
NCDs (Public Issue of retail unsecured redeemable non-convertible debentures)	CRISIL	24-Mar-20	CRISIL AA	500.00
Short Term Debt (CPs)	CRISIL	24-Mar-20	CRISIL A1+	3,000.00
Short Term Debt (CPs)	ICRA	30-Aug-19	[ICRA]A1+	8,000.00
Long-term bank facilities	CARE	14-Feb-20	CARE AA	15,000.00
Subordinate debt	CARE	14-Feb-20	CARE AA	1,200.00
NCDs	CARE	14-Feb-20	CARE AA	2,000.00
Public Issue of secured redeemable non-convertible debentures	CARE	14-Feb-20	CARE AA	5,000.00
Public Issue of unsecured redeemable non-convertible debentures	CARE	14-Feb-20	CARE AA	500.00
Short Term Debt (CPs)	CARE	14-Feb-20	CARE A1+	8,000.00
NCDs	Brickwork	23-Mar-20	BWR AA+	1,500.00
Bank Loan Facilities	Brickwork	23-Mar-20	BWR AA+	1,500.00
Subordinate debt	Brickwork	23-Mar-20	BWR AA+	750.00

(ix) Additional Disclosures

(a) Provisions and Contingencies — Amount Rs. in crores

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	March 31, 2020	March 31, 2019
Provisions for depreciation on Investment	2.12	Nil
Provision towards NPA	28.31	223.10
Provision made towards Income tax(including deferred tax and MAT Credit)	7.44	86.60
Provision for Standard Assets	147.99	30.52

(b) Concentration of Advances — Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Total Advances to twenty largest borrowers	3,188.50	2,601.78
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	26.97%	16.48%

(c) Concentration of Exposures — Amount Rs. in crores

	As at March 31, 2020	As at March 31, 2019
Total Exposure to twenty largest borrowers / customers	3,188.50	2,601.78
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	26.87%	16.30%

Note - 48 (continued…)

(d) Concentration of NPAs **Amount Rs. in crores**

	As at March 31, 2020	As at March 31, 2019
Total Exposure to top four NPA accounts	148.14	121.59

(e) Sector-wise NPAs

	As at March 31, 2020	As at March 31, 2019
Sector	Percentage of NPAs to Total Advances in that sector	
Agriculture & allied activities	0.00%	0.00%
MSME	1.27%	0.38%
Corporate borrowers	3.73%	1.41%
Services	0.00%	0.00%
Unsecured personal loans	0.00%	0.00%
Other personal loans	0.00%	0.00%
Auto loans and Other Loans	1.94%	0.31%

(f) Movement of NPAs **Amount Rs. in crores**

Particulars	As at March 31, 2020	As at March 31, 2019
(i) Net NPAs to Net Advances (%)	2.29%	0.95%
(ii) Movement of NPAs (Gross)		
a) Opening balance	197.00	49.49
b) Additions during the year	988.16	151.52
c) Reductions during the year	837.79	4.01
d) Closing balance	347.37	197.00
(iii) Movement of Net NPAs		
a) Opening balance	148.65	37.35
b) Additions during the year	122.06	111.30
c) Reductions during the year	-	-
d) Closing balance	270.72	148.65
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening balance	48.35	12.14
b) Additions during the year	28.31	36.21
c) Reductions during the year	-	-
d) Closing balance	76.65	48.35

(x) Overseas Assets **Amount Rs. in crores**

Name of Joint Venture/Subsidiary	Other Partner in the JV	Country	Total Assets	
			As at March 31, 2020	As at March 31, 2019
Indiabulls Asset Management Mauritius-Wholly Owned Subsidiary	NA	Mauritius	2.12	1.55

(xi) Disclosure of Complaints -Customer Complaints

Particulars	March 31, 2020	March 31, 2019
(a) No. of complaints pending at the beginning of the year	Nil	Nil
(b) No. of complaints received during the year	100	20
(c) No. of complaints redressed during the year	97	20
(d) No. of complaints pending at the end of the year	3	Nil

Note: In computing the above information and disclosures, certain estimates, assumptions and adjustments have been made by the Management for its regulatory submissions which have been relied upon by the Auditors.

(xii) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the limits for SGL / GBL

Note - 49
FY 2019-20
Disclosures in terms of RBI circular vode reference no RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated as on March 13, 2020

Amount in Rs crore

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets	Stage 1	8,128.98	64.38	8,064.60	32.66	31.71
	Stage 2*	3,346.25	126.73	3,219.52	21.65	105.08
Subtotal		11,475.23	191.11	11,284.12	54.31	136.80
Non-Performing Assets (NPA)						
Substandard	Stage 3	198.64	39.65	158.99	19.86	19.79
Doubtful	Stage 3	148.73	37.01	111.72	30.22	6.79
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		347.37	76.66	270.71	50.08	26.58
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms(moratorium etc)	Stage 1	5.13	0.00	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		5.13	0.00	-	-	-
Total	**Stage 1**	8,134.11	64.38	8,064.60	32.66	31.71
	Stage 2	3,346.25	126.73	3,219.52	21.65	105.08
	Stage 3	347.37	76.66	270.71	50.08	26.58
Total Provision		**11,827.73**	**267.77**	**11,554.83**	**104.39**	**163.38**

*** Includes Provisions for moratorium (Refer note 56)**

Note - 50

Disclosure of Foreign Currency Exposures:-

Particulars	**Foreign Currency**	**Year ended March 31, 2020**		
		Exchange Rate	**Amount in Foreign Currency**	**Amount Rs. in Crores**
I. Assets				
Receivables (trade & other)	NA	-	-	-
Other Monetary assets	NA	-	-	-
Total Receivables (A)	NA	-	-	-
Hedges by derivative contracts (B)	NA	-	-	-
Unhedged receivables (C=A-B)	NA	-	-	-
II. Liabilities				
Payables (trade & other)				
Borrowings (ECB and Others)	USD	-	-	-
Total Payables (D)	USD	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-
Unhedged Payables F=D-E)	USD	-	-	-
		-	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	NA	-	-	-
Commitments	NA	-	-	-
Total (G)	NA	-	-	-
Hedges by derivative contracts(H)	NA	-	-	-
Unhedged Payables (I=G-H)	NA	-	-	-
Total unhedged FC Exposures (J=C+F+I)	NA	-	-	-

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considered

Note - 50 (continued…)

Particulars	**Foreign Currency**	**Year ended March 31, 2019**		
		Exchange Rate	**Amount in Foreign Currency (USD)**	**Amount Rs. in Crores**
I. Assets				
Receivables (trade & other)	NA	-	-	-
Other Monetary assets	NA	-	-	-
Total Receivables (A)	NA	-	-	-
Hedges by derivative contracts (B)	NA	-	-	-
Unhedged receivables (C=A-B)	NA	-	-	-
II. Liabilities				
Payables (trade & other)				
Borrowings (ECB and Others)	USD	-	-	-
Total Payables (D)	USD	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-
Unhedged Payables F=D-E)	USD	-	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	NA	-	-	-
Commitments	NA	-	-	-
Total (G)	NA	-	-	-
Hedges by derivative contracts(H)	NA	-	-	-
Unhedged Payables (I=G-H)	NA	-	-	-
Total unhedged FC Exposures (J=C+F+I)	NA	-	-	-

Note - 51

There are no borrowing costs to be capitalised as at March 31, 2020 (March 31, 2019: Rs. Nil).

Note - 52

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2020 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet and no provision is required to be made against the recoverability of these balances.

Note - 53

In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2020 (March 31, 2019: Nil).

Note - 54

In terms of Circular no. RBI/2014-15/458, DNBR(PD).CC.No 019/03.10.01/2014-15 dated February 06, 2015, every NBFC is required to become a member of all Credit information Companies. As of the date of these financial statements, the Company has obtained the membership of Equifax Information Services Private Limited and CRIF High Mark Credit Information Services Private Limited, Experian Credit Information Company of India Private Limited and Credit Information Bureau (India) Limited.

Note - 55

The Company has complied with the RBI Directions, 2016 to the extent applicable.

Note - 56

FY 2019-20

Disclosure on Moratorium – COVID 19 Regulatory Package – Asset Classification And Provisioning for the year ended March 31, 2020 pursuant to the Notification Vide: DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020:

	Amount Rs. In crores
(i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of above notification	525.84
(ii) Respective amount where asset classification benefits is extended	165.14
(iii) Provisions made during the quarter ended 31 March 2020 in terms of paragraph 5 of the above notification	8.26
(iv) Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6 of the above notification	-

Note - 57

All amounts disclosed in the reformatted Ind AS standalone financial information and notes have been rounded off to the nearest Rs. crores as per the requirements of Schedule III, unless otherwise stated.

As per our report of even date

For Ajay Sardana Associates Chartered Accountants Firm Registration No.016827N	For and on behalf of the Board of Directors of Indiabulls Commercial Credit Limited	
Rahul Mukhi Partner Membership No. 099719	Rajiv Gandhi Managing Director DIN : 09063985 Mumbai	Priya Jain Non Executive Director DIN : 07257863 New Delhi
	Ashish Kumar Jain Chief Financial Officer New Delhi	Ajit Kumar Singh Company Secretary New Delhi
New Delhi, March 31, 2021	March 31, 2021	

Indiabulls Commercial Credit Limited
Annexure - VI
Statement of Accounting Ratios

Particulars	Refer	Fiscal year ended 31 March	
		2020	2019
		(I)	(II)
Earnings Per Share : (In Rs.)			
Basic		0.80	29.16
Diluted		0.80	24.46
Return on Equity (In %)	Note 1 below	0.45%	11.52%
Book Value Per Equity Share (In Rs.)	Note 2 below	176.70	176.56
Debt/Equity Ratio (In Times)	Note 3 below	1.57	2.36

Notes:

Particulars	Refer	Fiscal year ended 31 March	
		2020	2019
		(I)	(II)
Note 1) Return on Equity (In %)			
Profit for the Year (after tax) (Rs. in crores)	(A)	19.81	323.00
Less: Preference dividend for the year (Rs. in crores)		-	-
Profit for the Year (after tax and Preference Dividend) (Rs. in crores)		19.81	323.00
Net Worth			
Equity Share Capital (a) (Rs. in crores)		247.80	247.80
Other equity (b) (Rs. in crores)		4,159.15	4,127.25
Less: Deferred tax assets (net) (c) (Rs. in crores)		(28.37)	-
Net Worth at the end of the year (a+b-c) (Rs. in crores)	**(B)**	**4,378.58**	**4,375.05**
Net Worth in the beginning of the year (Rs. in crores)	(C)	4,375.05	1,232.63
Average Net Worth (Yearly) ((B+C)/2) (Rs. in crores)	(D)	4,376.82	2,803.84
Return on Equity (In %)	**(A/D)**	**0.45%**	**11.52%**
Note 2) Book Value Per Equity Share (In Rs.)			
Number of Equity Shares outstanding at the end of year (In crores)	(E)	24.78	24.78
Net Worth at the end of the year	**(F)**	**4,378.58**	**4,375.05**
Book Value Per Equity Share (In Rs.) (F/E)	**(G)**	**176.70**	**176.56**
Note 3) Debt/Equity Ratio (In Times)			
Debt Securities (Rs. in crores)	(H)	2,440.38	2,215.22
Borrowings (other than Debt Securities) (Rs. in crores)	(I)	6,088.82	8,247.44
Subordinated liabilities (Rs. in crores)	(J)	348.86	343.96
Debt (H + I + J) (Rs. in crores)	(K)	**8,878.06**	**10,806.62**
Less: Cash and cash equivalents as per Cash Flow Statement (Rs. in crores)	(L)	(2,000.27)	(488.16)
Total Debt (K - L) (Rs. in crores)	(M)	**6,877.79**	**10,318.46**
Debt/Equity Ratio (In Times)	**(M/F)**	**1.57**	**2.36**

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

March 31, 2021

Indiabulls Commercial Credit Limited
Annexure - VII
Statement of Dividend

Particulars	Fiscal year ended 31 March	
	2020	2019
Equity Share Capital (Rs. in crores)	247.80	247.80
No. of equity shares (crores)	24.78	24.78
Face value per equity share (Rs.)	10.00	10.00
Dividend %	-	-
Dividend per share (Rs.)	-	-
Preference Share Capital (Rs. in crores)	-	-
No. of preference shares (crores)	-	-
Face value per preference share (Rs.)	-	-
Dividend %	0.00%	0.00%
Dividend per share (Rs.)	-	-

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

March 31, 2021

Indiabulls Commercial Credit Limited
Annexure - VIII
Statement of Capitalisation

Particulars		Prior to the Issue (as March 31, 2020) - As per IND AS	Increase pursuant to the Issue*	Post-Issue
		(I)	(II)	(III)
Debt:				
Debt Securities (Rs. in crores)	(A)	2,440.38	1,000.00	3,440.38
Borrowings (other than Debt Securities) (Rs. in crores)	(B)	6,088.82	-	6,088.82
Subordinated liabilities (Rs. in crores)	(C)	348.86	-	348.86
Debt (A + B + C) (Rs. in crores)	(D)	**8,878.06**	**1,000.00**	**9,878.06**
Less: Cash and cash equivalents as per Cash Flow Statement (Rs. in crores)	(E)	(2,000.27)	-	**(2,000.27)**
Total Debt (D - E) (Rs. in crores)	**(F)**	**6,877.79**	**1,000.00**	**7,877.79**
Shareholders Funds:				
Equity Share Capital (Rs. in crores)	(G)	247.80		247.80
Other equity (Rs. in crores)	(H)	4,159.15		4,159.15
Less: Deferred tax assets (net) (Rs. in crores)	(I)	(28.37)		(28.37)
Total Shareholders funds (G + H - I)	(J)	**4,378.58**	**-**	**4,378.58**
Total Debt/Equity Ratio (In Times) (F/J)	**(K)**	**1.57**		**1.80**
Notes				

1. The debt-equity ratio post the Issue is indicative on account of the assumed inflow of Rs. 1,000 crores from the proposed Issue as on March 31, 2020 only and does not include contingent and off-balance sheet liabilities. The actual debt-equity ratio post the Issue would depend on the actual position of debt and equity on the Date of Allotment.

2. This statement does not give effect to any movement in Debt Securities or Borrowings (other than Debt Securities) or Subordinated liabilities or Cash and cash equivalents as per Cash Flow Statement post March 31, 2020, except stated in 1 above. Further, this statement also does not give effect to any movement in Share Capital and Other equity post March 31, 2020.

* Does not include impact of adjustments on account of Ind AS, if any.

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

March 31, 2021

Auditors' Report on the Reformatted Standalone Statement of Assets and Liabilities as at March 31, 2018, 2017 and 2016 and the Reformatted Standalone Statements of Profit and Loss and Cash Flows for the each of the years ended March 31, 2018, 2017 and 2016 of Indiabulls Commercial Credit Limited (collectively, the "Reformatted Indian GAAP Standalone Financial Information")

The Board of Directors
Indiabulls Commercial Credit Limited
M - 62 & 63 First Floor, Connaught Place
New Delhi 110001

Dear Sirs / Madams,

1. We have examined the attached Reformatted Indian GAAP Standalone Financial Information of Indiabulls Commercial Credit Limited (the "Company") as at March 31, 2018, 2017 and 2016 and for each of the years ended March 31, 2018, 2017 and 2016 annexed to this report and prepared by the Company for the purpose of inclusion in the offer document in connection with its proposed issue of Secured Redeemable Non-Convertible Debentures of face value of Rs. 1,000 each ("NCDs"). The Reformatted Indian GAAP Standalone Financial Information which have been approved by the Board of Directors of the Company, have been prepared by the Company in accordance with the requirements of:

a) Section 26 of Chapter III of The Companies Act, 2013, as amended (the "Act"); and

b) relevant provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 ('the Regulations') issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act").

Management's Responsibility for the Reformatted Indian GAAP Standalone Financial Information

2. The preparation of Reformatted Indian GAAP Standalone Financial Information is based on audited financial statements of the Company prepared in accordance with the accounting principles generally accepted in India (referred to as "Indian GAAP"), including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended , which are to be included in the Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche Prospectus(es), is the responsibility of the Management of the Company for the purpose set out in paragraph 13 below. The Management's responsibility includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Reformatted Indian GAAP Standalone Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act and the Regulations.

Auditors' Responsibilities

3. We have examined such Reformatted Indian GAAP Standalone Financial Information taking into consideration:

a) the terms of reference and our engagement agreed with you vide our engagement letter dated March 11, 2021, requesting us to carry out work on such Reformatted Indian GAAP Standalone Financial Information in connection with the Company's Issue of NCDs;

b) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "Guidance Note"); and

c) the requirements of Section 26 of the Act and the Regulations.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the Regulations in connection with the Issue of NCDs.

4. The Company proposes to make an offer which comprises an issue of Secured Redeemable Non-Convertible Debentures of Rs.1,000 each by the Company, as may be decided by the Board of Directors of the Company.

Reformatted Indian GAAP Standalone Financial Information

5. The Reformatted Indian GAAP Standalone Financial Information have been compiled by the management from:

a) the audited standalone financial statements of the Company as at and for the year ended March 31, 2018 prepared under Indian GAAP, which have been approved by the Board of Directors at their meeting held on April 20, 2018; and

b) the audited standalone financial statements of the Company as at and for each of the years ended March 31, 2017 and March 31, 2016 prepared under Indian GAAP, which have been approved by the Board of Directors at their meetings held on April 24, 2017 and April 22, 2016 respectively.

6. For the purpose of our examination, we have relied on:

a) Auditors' Report issued by A Sardana & Co. Chartered Accountants ("Previous Auditors") dated April 24, 2017 and April 22, 2016 on the standalone financial statements of the Company as at and for each of the years ended March 31, 2017 and 2016 respectively, as referred in Para 5 (b) above;

b) The standalone financial statements of the Company as at and for each of the years ended March 31, 2017 and 2016 were audited by the Previous Auditors, whose audit reports have been relied upon by us and we have not carried out any additional procedures.

c) Examination report submitted by A Sardana & Co. dated March 31, 2021 on the Reformatted Standalone Financial Information under Indian IGAAP of the Company as at and for each of the years ended March 31, 2017 and 2016. Our examination report included for the said years is based solely on the report submitted by A Sardana & Co. (referred as "Previous Auditors").

d) We draw attention to paragraph 8 to examination report submitted by A Sardana & Co. dated March 31, 2021 on the Reformatted Standalone Financial Information of the Company as at and for the year ended March 31, 2017 and March 31, 2016 which states that the A Sardana & Co., have not audited any Financial Statements of the Company as at any date or for any period subsequent to March 31, 2017 and hence have not assessed impact if any pursuant to COVID 19. Accordingly, they do not express any opinion on the financial position, results of operations or cash flow of the Company as at any date or for any period subsequent to March 31, 2017.

7. Taking into consideration the requirements of Section 26 of Part I of Chapter III of the Act, the Regulations and the terms of our engagement agreed with you, and having placed reliance on the examination report provided by A Sardana & Co. dated March 31, 2021 on the Reformatted Standalone Financial Information under Indian GAAP of the Company as at and for each of the years ended March 31, 2017 and 2016, we further report that:

a) the reformatted statement of assets and liabilities and notes forming part thereof, the reformatted statement of profit and loss and notes forming part thereof, the reformatted statement of cash flows ("Reformatted Indian GAAP Standalone Financial Information") of the Company as at and for each of the years ended March 31, 2018, 2017 and 2016 have been examined by us, as set out in Annexure I to Annexure III to this report. These Reformatted Indian GAAP Standalone Financial Information have been prepared after regrouping, which is more fully described in Significant Accounting policies and notes (Refer Annexure IV & V).

b) based on our examination as above:

i) the Reformatted Indian GAAP Standalone Financial Information have to be read in conjunction with the notes given in Annexure V; and

ii) the figures of earlier periods have been regrouped (but not restated retrospectively for changes in accounting policies), wherever necessary, to conform to the classification adopted for the Reformatted Indian GAAP Standalone Financial Information as at and for the year ended March 31, 2018.

Other Financial Information

8. At the Company's request, we have also examined the following Other Financial Information proposed to be included in the Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche Prospectus(es) prepared by the Management and approved by the Board of Directors of the Company and annexed to this report relating to the Company, as at and for each of the years ended March 31, 2018, 2017 and 2016 and have placed reliance on the examination report issued by A Sardana & Co. for each of the years ended March 31, 2017 and 2016, respectively:

a) Statement of Accounting Ratios, enclosed as Annexure VI

b) Statement of Dividend, enclosed as Annexure VII

Opinion

9. In our opinion and as per the reliance placed on the examination report for the years ended March 31, 2017 and 2016 submitted by A Sardana & Co., the Reformatted Indian GAAP Standalone Financial Information and the other financial information referred to in paragraph 8 above, as disclosed in the Annexures to this report, read with respective significant accounting policies disclosed in Annexure IV, and after making adjustments and regroupings as considered appropriate and disclosed has been prepared by the Company by taking into consideration the requirement of Section 26 of Part I of Chapter III of the Act and the Regulations.

Other matters

10. In the preparation and presentation of Reformatted Indian GAAP Standalone Financial Information based on audited standalone financial statements as referred to in paragraphs 5 and 6 above, no adjustments have been made for any events occurring subsequent to dates of the audit reports specified in paragraphs 5 and 6 above.

11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or the Previous Auditors, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

13. This report is intended solely for use of the management for inclusion in the Draft Shelf Prospectus, Shelf Prospectus and the relevant Tranche Prospectus(es) to be filed with Registrar of

Companies, National Capital Territory of Delhi and Haryana, SEBI, National Stock Exchange of India Limited and BSE Limited in connection with the proposed Issue of NCDs of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,

For Ajay Sardana Associates
Chartered Accountants
ICAI Firm registration number: 016827N

per Rahul Mukhi
Partner
Membership No. 099719
Place: New Delhi
Date: March 31, 2021
UDIN: 21099719AAAABR7686

Indiabulls Commercial Credit Limited
(formerly Indiabulls Infrastructure Credit Limited)
Reformatted Indian GAAP standalone statement of assets and liabilities

Annexure: I

Particulars	Note No.	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
I. Equity and liabilities				
Shareholders funds				
(a) Share capital	3	83.07	65.33	65.33
(b) Reserves and surplus	4	1,200.25	717.27	661.31
		1,283.33	**782.60**	**726.64**
Non - current liabilities				
(a) Long-term borrowings	5	3,826.57	1,127.10	487.80
(b) Long term provisions	6	32.93	14.39	7.17
		3,859.50	**1,141.49**	**494.97**
Current liabilities				
(a) Short-term borrowings	7	2,610.94	1,460.43	658.77
(b) Other current liabilities	8	693.95	556.53	97.72
(c) Short-term provisions	9	59.84	11.69	9.03
		3,364.73	**2,028.64**	**765.52**
Total		**8,507.56**	**3,952.73**	**1,987.14**
II. Assets				
Non - current assets				
(a) Fixed assets	10			
Tangible assets		6.59	7.89	2.39
Intangible assets		6.23	8.69	-
(b) Deferred tax assets (net)	11	10.04	7.60	5.02
(c) Non-current investments	12	0.85	0.20	-
(d) Long term loans and advances	13	6,894.38	2,953.75	1,203.80
(e) Other non-current assets	14	1.70	17.90	19.96
		6,919.79	**2,996.02**	**1,231.17**
Current assets				
(a) Current investments	15	177.15	137.48	123.43
(b) Cash and bank balances	16	297.96	197.43	145.50
(c) Short-term loans and advances	17	979.81	603.54	449.04
(d) Other current assets	18	132.85	18.27	38.00
		1,587.77	**956.71**	**755.97**
Total		**8,507.56**	**3,952.73**	**1,987.14**

The significant accounting policies and notes to the reformatted Indian GAAP standalone financial information 1-43

As per our report of even date attached

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rahul Mukhi
Partner
Membership No. 099719

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

New Delhi, March 31, 2021

March 31, 2021

Indiabulls Commercial Credit Limited
(formerly Indiabulls Infrastructure Credit Limited)
Reformatted Indian GAAP standalone statement of profit and loss

Annexure: II

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
		Amount (Rs. In Crore)	Amount (Rs. In Crore)	Amount (Rs. In Crore)
Income				
I. Revenue from operations	19	843.37	365.91	364.10
II. Other income	20	87.77	42.69	19.75
III. Total revenue		**931.14**	**408.60**	**383.85**
IV. Expenses:				
Employee benefits expense	21	33.20	30.15	33.04
Finance costs	22	361.36	133.30	160.85
Depreciation and amortisation	10	4.53	2.08	0.59
Other expenses	23	154.62	163.66	126.33
V. Total expenses		**553.71**	**329.19**	**320.81**
VI. Profit/ (Loss) before exceptional and extraordinary items and tax (III-V)		**377.43**	**79.41**	**63.04**
VII. Exceptional items		-	-	-
VIII. Profit/ (Loss) before extraordinary items and tax (VI- VII)		**377.43**	**79.41**	**63.04**
IX. Extraordinary items		-	-	-
X. Profit/ (Loss) before tax (VIII-IX)		**377.43**	**79.41**	**63.04**
XI. Tax expense:				
Current tax		124.97	23.42	13.66
Less: Tax adjustment in respect of earlier years		-	-	0.09
Less: MAT credit entitlement		-	-	0.95
Net current tax expense		**124.97**	**23.42**	**12.62**
Deferred tax expense/ (credit)		(2.45)	(2.57)	(0.13)
		122.53	**20.85**	**12.49**
XII. Profit/ (Loss) from the year from continuing operations (X-XI)		**254.90**	**58.56**	**50.55**
XIII. Profit/(Loss) from discontinuing operations		-	-	-
XIV. Tax expense of discontinuing operations		-	-	-
XV. Profit/(Loss) from discontinuing operations after tax (XIII - XIV)		**-**	**-**	**-**
XVI. Profit/ (Loss) for the year (XII + XV)		**254.90**	**58.56**	**50.55**
XVII. Earning per equity share:	31			
(1) Basic		54.70	13.15	11.28
(2) Diluted		37.11	8.96	7.74
(2) Nominal value per Equity Share		10.00	10.00	10.00
The significant accounting policies and notes to the reformatted Indian GAAP standalone financial information	1-43			

As per our report of even date attached

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rahul Mukhi
Partner
Membership No. 099719

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

New Delhi, March 31, 2021

March 31, 2021

Indiabulls Commercial Credit Limited
(formerly Indiabulls Infrastructure Credit Limited)
Reformatted Indian GAAP standalone statement of cash flows

Annexure: III

		For the year ended March 31, 2018 Amount (Rs. In Crore)	For the year ended March 31, 2017 Amount (Rs. In Crore)	For the year ended March 31, 2016 Amount (Rs. In Crore)
A	**Cash flow from operating activities :**			
	Net Profit before tax	377.43	79.41	63.04
	Adjustment for:			
	Provision for gratuity	1.01	1.00	0.89
	Provision for compensated absences	0.10	0.23	0.34
	Contingent Provision against standard Assets / Provision for Loan assets / Bad Debts Written Off	22.20	97.34	-
	Provision for loan assets	-	-	(3.77)
	Balances written back	(0.04)	(0.95)	(0.06)
	Bad debts written off	-	-	102.50
	Unrealised gain on mutual fund investments (Current Investments) (net)	(3.83)	(3.58)	(2.02)
	Depreciation and amortisation	4.53	2.08	0.59
	Operating Profit before working capital changes	**401.40**	**175.53**	**161.52**
	Changes in working capital:			
	Other current liabilities	(151.00)	336.68	(1.32)
	Long-term and short-term provisions	(7.30)	(15.86)	(0.65)
	Long-term loans and advances	(3,941.60)	(1,832.92)	393.71
	Short-term loans and advances	(360.65)	(147.97)	182.13
	Other non-current assets	16.20	2.06	16.39
	Other current assets	(114.58)	19.73	18.81
	Cash (used in)/generated from operations	**(4,157.52)**	**(1,462.75)**	**770.58**
	Income tax paid(net)	(90.74)	(30.09)	(30.44)
	Net cash (used in)/genertaed from operating activities	**(4,248.26)**	**(1,492.84)**	**740.14**
B	**Cash flow from investing activities**			
	Purchase of tangible fixed assets	(0.77)	(6.44)	(1.61)
	Purchase of intangible assets	-	(9.84)	-
	Movement in capital advances	(0.46)	8.01	(7.77)
	(Investment in) / Proceeds from deposit/margin money accounts	(11.00)	12.61	(0.09)
	Investment in subsidiary company	(0.65)	(0.20)	-
	Gain on mutual fund investments	3.58	2.02	5.21
	Net cash (used in)/ generated from investing activities	**(9.30)**	**6.16**	**(4.25)**
C	**Cash flow from financing activities**			
	Proceeds from issue of equity shares(including Securities Premium)	250.00	-	-
	Loan taken/given from/to fellow subsidiary company (net)	4.10	1.66	8.77
	Proceeds from /(repayment of)loan taken from Holding Company(net)	80.00	(104.47)	58.47
	Proceeds from issue of secured redeemable non-convertible debentures	250.00	40.00	-
	Proceeds from issue of subordinate debt	250.00	-	-
	Debentures issue expenses(net of tax effect)	(1.93)	(0.34)	-
	Proceeds from commercial papers(net)	845.00	800.00	(720.00)
	Proceeds from working capital loan(net)	51.41	-	-
	Proceeds from term loans(net)	2,657.94	826.84	(88.89)
	Net cash generated from/(used in) financing activities	**4,386.52**	**1,563.70**	**(741.65)**
D	**Net increase/(decrease) in cash and cash equivalents (A+B+C)**	128.96	77.02	(5.76)
E	**Cash and cash equivalents at the beginning of the year**	311.83	234.80	202.97
	Cash and cash equivalents received under Scheme of Arrangement **(Refer Note 1 of notes to financial statements)**	-	-	37.59
F	**Cash and cash equivalents at the close of the year (D+E)**	**440.78**	**311.83**	**234.80**

Indiabulls Commercial Credit Limited
(formerly Indiabulls Infrastructure Credit Limited)
Reformatted Indian GAAP standalone statement of cash flows

Note :

1 Figures for the previous year have been regrouped wherever considered necessary.
2 The above Reformatted Indian GAAP standalone statement of cash flows has been prepared under the " Indirect Method " as set out in Accounting Standard (AS) - 3 'Cash Flow Statements' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.
3 Margin Deposits of Rs.Nil (2016-17 Rs. 18.08 Crores, 2015-16 Rs. 30.69 Crores) have been placed as collateral for assignment deals on which assignees have a paramount lien.
4 Deposits of Rs.30.25 Crores (2016-17 Rs.1.42 Crores, 2015-16 Rs.1.42 Crores) are under lien.
5 Reconciliation of Cash and bank balances with cash and cash equivalents as at the close of the year:

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Cash and Bank Balances (Refer Note 16)	297.96	197.43	145.50
Current investments in units of mutual funds / other current investments considered as temporary deployment of funds	177.15	137.48	123.43
	475.11	**334.91**	**268.93**
Less: In deposit accounts	30.50	19.50	32.11
Less: Unrealised gain on mutual fund investments (current investments)	3.83	3.58	2.02
Cash and cash equivalents as at the close of the year	**440.78**	**311.83**	**234.80**

The above Statement should be read with the Significant Accounting Policies and Notes to the Reformatted Indian GAAP Standalone Financial Information

As per our report of even date attached

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rahul Mukhi
Partner
Membership No. 099719

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

New Delhi, March 31, 2021

March 31, 2021

Annexure: IV

Note - 1
Corporate information:
Indiabulls Commercial Credit Limited (formerly Indiabulls Infrastructure Credit Limited) ("the Company") was incorporated on July 07, 2006 and is engaged in the business of financing, investment and allied activities. On February 12, 2008, the Company was registered under section 45-IA of the Reserve Bank of India Act, 1934 to carry on the business of a Non Banking Financial Company but does not have permission from the Reserve Bank of India to accept public deposits.

In accordance with the provisions of section 13 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, the members of the company at their Extraordinary General Meeting held on March 02, 2015, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, National Capital Territory of Delhi & Haryana dated March 12, 2015, in respect of the said change. Accordingly, the name of the Company was changed from Indiabulls Infrastructure Credit Limited to Indiabulls Commercial Credit Limited.

In accordance with the approval of the members of the Company, at their Extraordinary general meeting held on June 12, 2015 and of the Registrar of Companies, National Capital Territory of Delhi & Haryana, and pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder, new set of Memorandum of Association (MOA) of the Company in accordance with Table A of Schedule I of the Companies Act, 2013, inter alia modifying sub clause 5 of the erstwhile main object of the MOA, as reproduced below, be and is hereby adopted as follows:

"To act as financial consultants, investment, marketing and management consultants/advisors and provide consultancy in various fields including general administrative, secretarial, managerial, commercial, banking, financial, economic, public relation, personal and corporate finance and direct and indirect taxation and other levies".

The Board of Directors of Indiabulls Finance Company Private Limited ("IFCPL") and the Company at their meeting held on April 16, 2015 had approved, the Scheme of Arrangement, involving the merger of IFCPL, on an ongoing basis, into the Company, pursuant to and in terms of the provisions of Section 391 – 394 of the Companies Act, 1956, as amended from time to time ("Scheme of Arrangement"). The appointed date of the proposed merger fixed under the Scheme of Arrangement was April 01, 2015. The Hon'ble High Court of Delhi, vide its order dated March 15, 2016, received by the Company on March 31, 2016, approved the Scheme of Arrangement (Order). In terms of the court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 31, 2016 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), the Scheme of Arrangement came into effect and IFCPL, as a going concern, stands amalgamated with the Company with effect from the Appointed Date, being April 01, 2015 (in accordance with AS-14-Accounting for Amalgamations, under the Pooling of Interests Method). Consequent to the Scheme of Arrangement becoming effective, the Board of Directors of the Company at their meeting held on March 31, 2016, issued and allotted 32,826,288 Equity Shares of Rs. 10 each of the Company to the Equity Share Holders of IFCPL, against their share holding in such equity shares as on March 31, 2016. The issue of equity shares by the Company in the ratio of 3:1, was in terms of the Share Exchange Ratio as mentioned in the Court approved Scheme of Arrangement.

On account of merger as mentioned above, the Earnings per Equity Share and the figures in respect of the year ended March 31, 2016 are not comparable with the previous comparable year presented.

Note - 2
Basis of preparation of reformatted Indian GAAP standalone financial information
The Reformatted Indian GAAP standalone Statement of Assets and Liabilities of Indiabulls Commercial Credit Limited ('the Company') as at 31 March 2018, 31 March 2017 and 31 March 2016 and the Reformatted Indian GAAP standalone Statement of Profit and Loss and the Reformatted Indian GAAP standalone Statement of Cash flows for the year ended 31 March 2018, 31 C127March 2017 and 31 March 2016 (together referred as 'Reformatted Indian GAAP standalone Financial Information') have been extracted by the Management from the Standalone Audited Indian GAAP Financial Statements of the Company for the year ended 31 March 2018, 31 March 2017 and 31 March 2016 ("Audited Indian GAAP Financial Statements ").

The Reformatted Indian GAAP standalone Financial Information have been prepared by the management in connection with the proposed listing of non-convertible debentures of the Company with BSE Limited and National Stock Exchange of India Limited (together 'the stock exchanges'), in accordance with the requirements of:

a) Section 26 of the Companies Act, 2013; and

b) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008 issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time read along with the SEBI circular CIR/IMD/DF/18/2013 dated October 29, 2013 (together referred to as the "SEBI Regulations").

The accompanying reformatted Indian GAAP standalone financial information are prepared and presented in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on the accrual basis of accounting , unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified), the provisions of the Companies Act, 1956 (to the extent applicable)(hereinafter referred to as 'the Act') and the Schedule III to the Act. The reformatted Indian GAAP standalone financial information are presented in Indian Rupees in crores.

i) Basis of accounting:
The accompanying reformatted Indian GAAP standalone financial information are prepared and presented in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention, on the accrual basis of accounting , unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified), the provisions of the Companies Act, 1956 (to the extent applicable)(hereinafter referred to as 'the Act') and the Schedule III to the Act. The reformatted Indian GAAP standalone financial information are presented in Indian Rupees in crores.

Annexure: IV

ii) Prudential norms:
F.Y. 2015-16:
The Company follows the Reserve Bank of India (“RBI”) Directions in respect of “Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 (“RBI Directions, 2015”), dated March 27, 2015, in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. Accounting Standards (AS) and Guidance Notes issued by The Institute of Chartered Accountants of India (“ICAI”) are followed insofar as they are not inconsistent with the RBI Directions, 2015.

F.Y.2016-17:
The Company follows the Reserve Bank of India (“RBI”) Directions in respect of “Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (“RBI Directions, 2016”), dated September 1, 2016 updated as on March 09, 2017, in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. Accounting Standards (AS) and Guidance Notes issued by The Institute of Chartered Accountants of India (“ICAI”) are followed insofar as they are not inconsistent with the RBI Directions, 2016.

F.Y.2017-18:
The Company follows the Reserve Bank of India (“RBI”) Directions in respect of “Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (“RBI Directions, 2016”), dated September 1, 2016 updated as on February 23, 2018, in respect of income recognition, income from investments, accounting of investments, asset classification, disclosures in the Balance Sheet and provisioning. Accounting Standards (AS) and Guidance Notes issued by The Institute of Chartered Accountants of India (“ICAI”) are followed insofar as they are not inconsistent with the RBI Directions, 2016.

iii) Use of estimates:
The presentation of financial statements in conformity with GAAP requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognised in the period in which the results are known / materialised.

iv) Cash and cash equivalents:
Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

v) Cash flow statement:
Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

vi) Revenue recognition:
Interest Income from financing activities and others is recognised on an accrual basis. In terms of the RBI Directions, 2016, interest income on Non-performing assets ('NPAs') is recognised only when it is actually realised.

Processing fees received in respect of loans is accounted for in year in which loan is disbursed.

Additional /overdue interest/ charges is recognised only when it is reasonably certain that the ultimate collection will be made.

Repayment of loans is as stipulated in the respective loan agreements or by way of Equated Monthly Installments ('EMIs') comprising principal and interest. EMIs commence once the loan is disbursed. Pending commencement of EMIs, Pre-EMI interest is payable every month and accounted for an accrual basis.

Income from service fees are accounted on accrual basis.

Interest income is accounted on accrual basis.

Dividend on Units of Mutual Fund held by NBFC Companies is recognised on cash basis, as per RBI Directions, 2016.

vii) Securitisation/Assignment of loan portfolio:
Derecognition of loans assigned/securitised in the books of the Company, recognition of gain / loss arising on securitisation /assignment and accounting for credit enhancements provided by the Company is based on the guidelines issued by The Institute of Chartered Accountants of India.

Derecognition of loans assigned / securitised in the books of the Company is based on the principle of surrender of control over the loans resulting in a “true sale” of loans.

Residual income on Assignment / Securitisation of Loans is being recognised over the life of the underlying loans and not on an upfront basis.

Credit enhancement in the form of cash collateral, if provided by the Company, by way of deposits is included under Cash and bank balances / Loans and Advances, as applicable.

viii) Fixed assets:

(a) Tangible assets:
Tangible fixed assets are stated at cost, less accumulated depreciation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

(b) Intangible assets:
Intangible assets are stated at cost, less accumulated amortisation / impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

Annexure: IV

ix) Depreciation / Amortisation:
Depreciation on tangible fixed assets is provided on straight-line method at the rates specified in Schedule II to the Companies Act, 2013, except in respect of the following categories of assets:

Vehicles are amortised on a straight line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction, as the case may be.

Assets costing less than Rs. 5,000 each are fully depreciated in the year of capitalisation.

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

x) Impairment of assets:
The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

xi) Investments:
Investments are classified as non-current and current investments. Non-current investments are carried at cost less provision, if any, for any diminution other than temporary in their value .Current investments are valued at lower of cost and fair value. In terms of the RBI Directions, 2016, unquoted current investments in equity shares are valued at cost or break-up value, whichever is lower. Unquoted current investments in units of mutual funds are valued at the net asset value declared by the mutual fund in respect of each particular scheme. Other Current investments are valued at lower of cost and fair value.

xii) Borrowing cost:
Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of cost of the asset. All other borrowing costs are charged to the Statement of Profit and Loss.

xiii) Commercial papers:
The liability at the time of issue of commercial papers is recognized at face value of the commercial papers. Discount on issue of the commercial papers is amortized over the tenure of the commercial papers.

xiv) Employee benefits:
The Company's contribution to Provident Fund and Employee State Insurance Scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees. The Company has unfunded defined benefit plans as Compensated Absences and Gratuity for all eligible employees, the liability for which is determined in accordance with Accounting Standard 15 (AS 15) (Revised 2005) - Employee Benefits (as specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended) on the basis of an actuarial valuation at the end of the year using the 'Projected Unit Credit Method'. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses, as applicable. Actuarial gains and losses comprise experience adjustments and the effects of change in actuarial assumptions and are recognised in the Statement of Profit and Loss as income or expenses as applicable.

xv) Deferred employee stock compensation cost:
Deferred employee stock compensation cost for stock options are recognised on the basis of generally accepted accounting principles and are measured by the difference between the intrinsic value of the Company's shares of stock options at the grant date and the exercise price to be paid by the option holders. The compensation expense is amortised over the vesting period of the options. The fair value of options for disclosure purpose is measured on the basis of a valuation certified by an independent firm of Chartered Accountants in respect of stock options granted.

xvi) Taxes on income:
Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax / substantively enacted tax rates at the Balance Sheet Date as applicable to the extent that the timing differences are expected to crystallise.

Deferred Tax Assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation deferred tax assets are recognized only if there is a virtual certainty of realization backed by convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

xvii) Share/Debenture issue expenses and premium/discount on issue:
Share / Debenture issue expenses, net of tax, are adjusted against the Securities Premium Account, as permissible under Section 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

Premium / Discount on Issue of debentures, net of tax, are adjusted against the Securities Premium Account, as permissible under 52(2) of the Companies Act, 2013, to the extent of balance available and thereafter, the balance portion is charged to the Statement of Profit and Loss, as incurred.

Annexure: IV

xviii) Leases:
In case of assets taken on operating lease, the lease rentals are charged to the Statement of Profit and Loss on a straight line basis in accordance with Accounting Standard (AS) 19 – Leases (as specified under Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended.

xix) Preliminary expenses:
Preliminary expenses are adjusted against securities premium account (net of tax) to the extent of balance available and thereafter the balance portion is charged off to the Statement of Profit and Loss as incurred.

xx) Segment reporting:
The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities.

xxi) Provisions contingent liabilities and contingent assets:
Provisions are recognised only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent liability is disclosed for:
(1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

(2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation can not be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

xxii) Earnings per share:
Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity and dilutive potential equity shares outstanding during the year except where the results would be anti-dilutive.

xxiii) Foreign currency transactions and translations:
i. Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.

ii. Monetary items denominated in foreign currencies at the year end are translated at year end rates. In case of Forward Foreign Exchange Contract (FEC), the difference between the year-end rate and the rate on the date of the contract is recognised as exchange difference and the premium on such forward contracts is recognised over the life of the forward contract. Any profit/loss arising on cancellation or renewal of forward contract is recognised as income or expense for the period in which such cancellation or renewal is made.

iii. Non monetary foreign currency items are carried at cost.
iv. Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.
v. The exchange differences arising on settlement / restatement of long-term monetary items which do not relate to acquisition of depreciable fixed assets are amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss. The unamortised exchange differences are carried in the Balance Sheet as "Foreign Currency Monetary Item Translation Difference Account" net of the tax effect thereon, where applicable.

xxiv) Derivative instruments and hedging activities:
The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The Company uses derivative contracts such as foreign exchange forwards and foreign currency futures to hedge its exposure to movements in foreign exchange rates. The use of these foreign exchange and forward contracts reduce the risk or cost to the Company and the Company does not use those for trading or speculation purposes.

The Company uses hedging instruments that are governed by the policies of the Company which are approved by the Board of Directors, which provide written principles on the use of such financial derivatives consistent with the risk management strategy of the Company .

Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date. Derivatives are classified as assets when the fair value is positive (positive marked to market value) or as liabilities when the fair value is negative (negative marked to market value). Derivative assets and liabilities are recognised on the balance sheet at fair value. Changes in the fair value of derivatives other than those designated as hedges are recognised in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, no longer qualifies for hedge accounting or the Company chooses to end the hedging relationship.

All outstanding Forward Currency Contracts(FC) are marked-to-market as at the year end. Losses are recognised in the Statement of Profit and Loss based on category of contracts and gains towards category of contracts are ignored, in line with the Announcement made by the ICAI dated March 29, 2008. Any profit/loss arising on cancellation/unwinding of FC contracts are recognised as income or expenses for the period. Premium / discount on FC contract are amortised over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date, except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

Effective April 1, 2017, the Company has designated certain equity futures contracts on recognized stock exchange as hedging instruments. Equity futures contracts are held to manage the risk of change in fair value of the Company's investment in quoted equity shares and are designated as fair value or cash flow hedges, as applicable. In accordance with the Guidance Note on Accounting for Derivative Contracts, issued by the Institute of Accounting Standards of India, the Company records a derivative liability/derivative asset based on the fair value (determined based on quoted market rates available on recognized stock exchange) (MTM) of the equity futures contract with a corresponding debit to the Statement of Profit and Loss. Further, the increase in investments for the change in fair value as a hedge accounting adjustment through Statement of Profit and Loss. The investments in equity shares is carried at cost/lower of cost or fair market value as applicable.

Annexure: V

Note - 3
Share capital:

	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	No. of Shares	Amount (Rs. In Crore)	No. of Shares	Amount (Rs. In Crore)	No. of Shares	Amount (Rs. In Crore)
Authorised:(1 to 4)						
Equity Shares of face value of Rs. 10 each	62,500,000	62.50	43,500,000	43.50	43,500,000	43.50
Preference Shares of face value of Rs. 10 each	22,500,000	22.50	22,500,000	22.50	22,500,000	22.50

(1) In pursuance of Section 95 and other applicable provisions, if any, of the Companies Act, 1956, members of the Company in their meeting held on March 26,2013 granted their approval for reclassification the authorized share capital from Rs.300,000,000, divided into 25,000,000 equity shares of face value of Rs.10 each and 5,000,000 preference shares of face value of Rs.10 each, to Rs. 100,000,000, divided into 10,000,000 equity shares of face value of Rs.10 each and Rs. 200,000,000, divided into 20,000,000 preference shares of face value of Rs.10 each.

In pursuance of Section 97 and other applicable provisions, if any, of the Companies Act, 1956, members of the Company in their meeting held on March 26,2013 granted their approval for increase in the authorized share capital from Rs.300,000,000 to Rs.325,000,000, divided into 10,000,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of face value of Rs.10 each. As a consequence of the above, as at March 31, 2013, the authorised share capital was increased from Rs. 300,000,000 to Rs. 325,000,000.

(2) In pursuance of Section 97 and other applicable provisions, if any, of the Companies Act, 1956, members of the Company in their meeting held on October 14, 2013 granted their approval for increase in the authorized share capital from Rs.325,000,000 to Rs.550,000,000, divided into 32,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of face value of Rs.10 each. As a consequence of the above, as at March 31, 2014, the authorised share capital was increased from Rs. 325,000,000 to Rs. 550,000,000.

(3) Pursuant to and in terms of the Scheme of Arrangement as approved by the Hon'ble High Court of Delhi vide its order dated March 15, 2016, the authorised share capital of the Company was increased from Rs. 55.00 Crores to Rs. 66. Crores, divided into 43,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of face value of Rs.10 each.

(4) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013,and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on October 12, 2017 the Company's authorised share capital was increased from Rs. 66.00 Crore to Rs. 72.73 Crores, divided in to 50,226,573 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

(5) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013,and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on March 1, 2018 the Company's authorised share capital was increased from Rs. 72.73 Crore to Rs. 85.00 Crore divided in to 62,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	No. of Shares	Amount (Rs. In Crore)	No. of Shares	Amount (Rs. In Crore)	No. of Shares	Amount (Rs. In Crore)
Issued, subscribed and paid up :(1 & 2)						
Equity Shares of face value of Rs. 10 each fully paid up	60,571,401	60.57	42,826,288	42.83	42,826,288	42.83
10% Compulsory Convertible Preference Shares of Rs. 10 each fully paid up	22,500,000	22.50	22,500,000	22.50	22,500,000	22.50
As per Balance Sheet		**83.07**		**65.33**		**65.33**

(1) On February 7, 2011, the Board of Directors of the Company approved the revision in the terms of issue of the 4,000,000 10% Compulsorily Convertible Preference Shares allotted on March 31, 2010 to Indiabulls Financial Services Limited ("the Holding Company"). Further to the revision in terms, the said Preference Shares were designated as 4,000,000 10% Optionally Convertible Preference Shares, redeemable at the option of the Holding Company, within period of 19 years from the date of issuance.

(2) On March 21, 2011, the Board of Directors of the Company, upon request received from the Holding Company, approved the redemption of 4,000,000 10% Optionally Convertible Preference Shares of face value of Rs. 10 per share amounting to Rs. 40,000,000 at a premium of Rs. 990 per share. The premium payable on redemption of Rs. 3,960,000,000 was paid out by utilizing the balance in the Securities Premium account, as permitted under the Companies Act, 1956. As the Company has redeemed the preference shares out of its profits, capital redemption reserve equal to the face value of the redeemed preference of Rs, 40,000,000 was created. Consequently, the paid-up Preference Share Capital of the Company was fully repaid as at March 31, 2011.

(3) On March 26, 2013 (“the Company”), pursuant to the approval granted by the Members of the Company, at the meeting held on March 26, 2013, has issued 22,500,000 10% Compulsory Convertible Preference Shares of face value Rs.10 per share at a premium Rs.990 to its holding Company Indiabulls Housing Finance Limited ("IHFL").

As a consequence of the above, as at March 31, 2013, the Issued, Subscribed and Paid-up Share Capital was increased from Rs. 100,000,000 to Rs. 325,000,000.

Annexure: V

Note : 3 - continued

(4) Consequent upon the increase in authorised share capital, on October 12, 2017, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on October 31, 2017 granted their approval and the Company issued and allotted 7,400,285 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 135.13 per equity share fully paid (including securities premium of Rs. 125.13 per share), ranking pari passu with existing shares.

(5) Consequent upon the increase in authorised share capital, on March 1, 2018, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on March 22, 2018 granted their approval and the Company issued and allotted 10,344,828 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 145 per equity share fully paid (including securities premium of Rs. 135 per share), ranking pari passu with existing shares.

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year:

(i) Equity Shares

	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	No. of Shares*	Amount (Rs. In Crore)	No. of Shares*	Amount (Rs. In Crore)	No. of Shares*	Amount (Rs. In Crore)
Shares outstanding at beginning of the reporting year	42,826,288	42.83	42,826,288	42.83	10,000,000	10.00
Add: Equity shares issued during the year in accordance with the Scheme of Arrangement	-	-	-	-	32,826,288	32.83
Shares issued during the year	17,745,113	17.75	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at end of the reporting year	**60,571,401**	**60.57**	**42,826,288**	**42.83**	**42,826,288**	**42.83**

* 3,28,26,288 equity shares were allotted by the Company, for consideration other than cash, to the shareholders of IFCPL, pursuant to and in terms of the Scheme of Arrangement, approved by the Hon'ble High Court of Delhi vide its order dated March 15, 2016, which came into effect on March 31, 2016, with effect from the Appointed Date April 1, 2015 (Refer Note 1).

(ii) 10% Compulsory Convertible Preference Shares

	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	No. of Shares	Amount (Rs. In Crore)	No. of Shares	Amount (Rs. In Crore)	No. of Shares	Amount (Rs. In Crore)
Shares outstanding at beginning of the reporting year	22,500,000	22.50	22,500,000	22.50	22,500,000	22.50
Shares issued during the year	-	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Shares outstanding at end of the reporting year	**22,500,000**	**22.50**	**22,500,000**	**22.50**	**22,500,000**	**22.50**

b. (i) Terms/ rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Terms/rights attached to 10% Compulsory Convertible Preference Shares:

On March 26, 2013 (“the Company”), pursuant to the approval granted by the Members of the Company, at the meeting held on March 26, 2013, has issued 22,500,000 10% Compulsory Convertible Preference Shares of face value Rs.10 per share at a premium Rs.80 to its holding Company Indiabulls Housing Finance Limited ("IHFL"). The said preference shares carry cumulative dividend @ 10% per annum. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of the Preference Shares is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to the Preference Shares.

The Preference Shares are convertible into equity shares, at any time at the option of the Preference Shareholders or on the expiry of 20 years from the date of allotment viz., March 26, 2013.

Annexure V

Note : 3 - continued

c. Detail of Shareholders holding 5% or more shares:

No. of shareholders	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares of face value of Rs. 10 each fully paid up						
The entire share capital is held by Indiabulls Housing Finance Limited ("the holding Company") and its nominees	60,571,401	100%	42,826,288	100%	42,826,288	100%
10% Compulsory Convertible Preference Shares of Rs. 10 each fully paid up						
The entire share capital is held by Indiabulls Housing Finance Limited ("the holding Company") and its nominees	22,500,000	100%	22,500,000	100%	22,500,000	100%

As per records of the Company, including its register of members/shareholders, and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

d. Employee stock option plans: (Refer Note 26)

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 4			
Reserves and surplus:			
(a) Capital reserve	0.17	0.17	0.17
(b) Capital redemption reserve	4.00	4.00	4.00
(c) Securities premium account			
Opening balance	458.24	458.58	194.79
Add: Transferred from Indiabulls Finance Company Private Limited pursuant to scheme of arrangement (Refer Note 1)			263.78
Add: Additions during the year on account of issue of equity shares	232.25	-	-
	690.49	**458.58**	**458.58**
Less: Utilised for Redeemable non convertible debenture issue expenses (Net of tax effect Rs 0.92 Crore (2016-17 Rs 0.12 Crore, 2015-16 Rs. Nil)	1.93	0.34	-
Closing balance	**688.57**	**458.24**	**458.58**

Annexure V

Note : 4 - continued

(d) Other reserves			
(i) Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961			
Opening balance	32.13	24.19	5.40
Add: Transferred from Indiabulls Finance Company Private Limited pursuant to scheme of arrangement (Refer Note 1)	-	-	14.15
Add: Amount transferred during the year from surplus in the Reformatted Indian GAAP standalone Statement of	10.77	7.95	4.64
Closing balance	**42.90**	**32.13**	**24.19**
(ii) Reserve fund u/s 45-IC of the R.B.I. Act, 1934			
Opening balance	87.72	76.01	23.46
Add: Transferred from Indiabulls Finance Company Private Limited pursuant to Scheme of Arrangement (Refer Note 1)	-	-	42.44
Add: Amount transferred during the year from Surplus in the Reformatted Indian GAAF	50.98	11.71	10.11
Closing balance	**138.70**	**87.72**	**76.01**
(e) Surplus / (Deficit) in Statement of Profit and Loss			
Opening balance	135.01	98.37	80.68
Add: Transferred from Indiabulls Finance Company Private Limited pursuant to scheme of arrangement (Refer Note 1)	-	-	6.02
Less: Adjustment on account of scheme of arrangement (1) (Refer Note 1)	-	-	21.88
Add : Profit /(Loss) during the year	254.90	58.55	50.55
Amount available for appropriations [A]	**389.92**	**156.92**	**115.37**
Less: Adjustment on account of change in useful life of Fixed Assets (Refer Note:4)	-	-	-
Amount available for appropriations [A]	**389.92**	**156.92**	**115.37**
Appropriations:			
Transferred to Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	10.77	7.95	4.64
Transferred to Reserve Fund u/s 45-IC of the R.B.I. Act, 1934	50.98	11.71	10.11
Provision for dividend on preference shares	2.25	2.25	2.25
Total appropriations [B]	**64.00**	**21.91**	**17.00**
Balance of surplus carried forward [A-B]	**325.91**	**135.01**	**98.37**
As per Balance Sheet	**1,200.25**	**717.27**	**661.31**

(1) In terms of Section 36(1)(viii) of the Income Tax Act, 1961, a deduction is allowed for income from eligible business viz, Income from providing long-term infrastructure finance, long-term finance for the construction or purchase houses in India for residential purposes and the business of providing long-term finance for industrial or agricultural development etc. The Company claims the deduction as it falls under some of the categories of eligible business as defined under Section 36(1)(viii) of the Income Tax Act, 1961. Consequently the Company has, as at year end, transferred an amount of Rs.10.77 Crores (2016-17 Rs. 7.95 Crores, 2015-16 Rs. 4.64 Crores) to the special reserve account to claim deduction in respect of eligible business under the said section.

(2) In terms of Section 45-IC of the RBI Act, 1934, the Company is required to transfer at least 20% of its Net Profits (after tax) to a reserve before any dividend is declared. As at the year end, the Company has transferred an amount of Rs. 50.98 Crores (2016-17 Rs. 11.71 Crores, 2015-16 Rs. 10.11 Crores) to the reserve fund.

(3) Difference between the carrying amount of investment in Indiabulls Finance Company Private Limited held by Indiabulls Housing Finance Limited and the amount of share capital issued earlier has been adjusted from surplus in statement of profit and loss as per Scheme of Arrangement on cancellation of said investments.

Annexure V

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 5			
Long-term borrowings:			
Secured			
(a) Redeemable non convertible debentures[1 & 2]	40.00	40.00	-
(b) Term Loan			
- from banks [3 & 6]	3,456.57	1,087.10	383.33
(c) Other Loan			
- from Holding Company - Indiabulls Housing Finance Limited [4 to 6]	80.00	-	104.47
Unsecured			
- Subordinated Debt [7](Refer note 24)	250.00	-	-
	3,826.57	**1,127.10**	**487.80**

(1) 9.05 % Redeemable Non convertible Debentures of Face value of Rs. 0.10 each Redeemable (At Par) on July 07, 2023 and is listed on the Wholesale Debt Market segment of National Stock Exchange of India Limited. The Company has fully utilised the proceeds from the issue of Redeemable Non-convertible Debentures as per terms of the issue.

(2) Redeemable Non-Convertible Debentures are secured against mortgage of immovable property, hypothecation of current assets and current and future loan assets of the Company except such receivable specifically charged (including investment).

(3) Secured by hypothecation of loan receivables(Current and Future), current assets (including cash and cash equivalents) of the Company(including investment).

(4) Repayable at any time before expiry at the end of 36 months from the date of disbursement for the year ended March 31, 2018 (2016-17: 60 months, 2015-16: 60 months)

(5) Secured by hypothecation of receivables(Current and Future), and/or current assets of the Company

(6) Linked to reference rate used by respective lenders.

(7) The Company has fully utilised the proceeds from the issue of Subordinated Debt as per terms of the issue.

There is no continuing default in the repayment of the aforesaid loans or interest thereon as at the respective balance sheet date.

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 6			
Long-term provisions:			
(a) Provision for employee benefits (Refer Note 28)			
Provision for gratuity	3.42	2.87	2.13
Provision for compensated absences	1.28	1.22	0.99
(b) Contingent provisions against standard assets (Refer Note 35)	28.23	10.29	4.05
As per Balance Sheet	**32.93**	**14.39**	**7.17**

Annexure V

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 7			
Short-term borrowings:			
Secured			
Redeemable non convertible debentures (1)	250.00	-	-
Loans repayable on demand			
From banks-cash credit facility (2 & 4)	51.41	-	-
Unsecured			
Other Loans and advances			
Commercial papers	2,295.00	1,450.00	650.00
Other Loan from Nilgiri Financial Consultants Limited (3 & 4)	14.53	10.43	8.77
As per Balance Sheet	**2,610.94**	**1,460.43**	**658.77**

(1) 8.24% Redeemable Non convertible Debentures of Face value of Rs. 0.10 each Redeemable (At Par) on June 7, 2018) are listed on the Wholesale Debt Market segment of National Stock Exchange of India Limited and are secured by first ranking pari passu charge on the current assets (including investments); both current and future; of the Company and all present and future loan assets of the Company, including all monies receivable from principal and interest thereon. The Company has fully utilised the proceeds from the issue of Redeemable Non-convertible Debentures as per terms of the issue.

(2) The Company has availed Cash credit revolving facility from a bank with the tenor of 12 months and the same is repayable on demand. The cash credit facility is secured by way of pari passu charge on current assets including loans and advances and receivables of the Company with a minimum security cover of 1.25 times and a letter of comfort issued by the Holding Company.

(3) The unsecured loan from Nilgiri Financial Consultants Limited is granted for a period of 12 months. The Company, may at its option, prepay the loan before expiry.

(4) Linked to reference rate used by lender.

There is no default in repayment of aforesaid loans or interest thereon.

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 8			
Other current liabilities			
Current maturity of long term debt-term loan(1)	500.43	211.97	88.89
Interest accrued but not due(2)	26.72	2.67	-
Temporary overdrawn bank balance as per books	103.20	326.53	0.39
Amount payable on assigned loans	22.90	-	2.24
Foreign currency forward payable	20.88	3.47	-
Other current liabilities including statutory dues and expense provisions	19.82	11.89	6.20
As per Balance Sheet	**693.95**	**556.53**	**97.72**
(1) Current maturities of long term debt			
Term loans from banks (Refer note 24)	500.43	211.97	88.89
	500.43	**211.97**	**88.89**
(2) Interest accrued but not due			
Term loans from banks	3.02	0.02	-
On secured redeemable non convertible debentures	19.48	2.65	-
On Subordinate Debt	4.22	-	-
	26.72	**2.67**	**-**

Annexure V

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 9			
Short term provisions			
(a) Provision for employee benefits (Refer Note 28)			
Provision for gratuity	0.10	0.07	0.06
Provision for compensated absences	0.04	0.04	0.03
	0.14	**0.10**	**0.09**
(b) Provision for dividend on preference shares	11.29	9.04	6.79
(c) Provision for tax	44.23	0.63	0.63
[net of advance tax, tax deducted at source Rs. 107.76 Crores (2016-17 Rs. 26.09 Crores, 2015-16 Rs. 26.09 Crores)]			
(d) Contingent provisions against standard assets (Refer Note 35)	4.19	1.91	1.52
	59.71	**11.58**	**8.94**
As per Balance Sheet	**59.84**	**11.69**	**9.03**

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 10			
Fixed assets			
(A) Tangible assets:			
Computers			
Opening Balance	1.47	1.32	0.17
Addition on account of Scheme of Arrangement	-	-	0.01
Addition during the Year	0.18	0.15	1.14
Adjustments/ Sales during the Year	-	-	-
Closing Balance	**1.64**	**1.47**	**1.32**
Opening Balance of Depreciation	**0.77**	**0.33**	**0.06**
Addition on account of Scheme of Arrangement	-	-	0.00
Depreciation Provided during the year	0.47	0.44	0.27
Adjustments/ Sales during the Year	-	-	-
Total Depreciation	1.24	0.77	0.33
Net Closing Balance	**0.40**	**0.69**	**0.99**

Annexure V

Note - 10
Fixed assets (continued)

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
(A) Tangible assets: (continued)			
Furniture and Fixtures			
Opening Balance	0.49	0.43	0.04
Addition on account of Scheme of Arrangement	-	-	-
Addition during the Year	0.06	0.06	0.40
Adjustments/ Sales during the Year	-	-	-
Closing Balance	**0.55**	**0.49**	**0.43**
Opening Balance of Depreciation	**0.08**	**0.04**	**0.02**
Addition on account of Scheme of Arrangement	-	-	-
Depreciation Provided during the year	0.05	0.05	0.02
Adjustments/ Sales during the Year			
Total Depreciation	0.13	0.08	0.04
Net Closing Balance	**0.42**	**0.41**	**0.40**
Land			
Opening Balance	0.10	-	-
Addition on account of Scheme of Arrangement	-	-	-
Addition during the Year	-	0.10	-
Adjustments/ Sales during the Year	-	-	-
Closing Balance	**0.10**	**0.10**	**-**
Opening Balance of Depreciation	**-**	**-**	**-**
Addition on account of Scheme of Arrangement	-	-	-
Depreciation Provided during the year	-	-	-
Adjustments/ Sales during the Year	-	-	-
Total Depreciation	-	-	-
Net Closing Balance	**0.10**	**0.10**	**-**
Leasehold Improvements			
Opening Balance	0.10	-	-
Addition on account of Scheme of Arrangement	-	-	-
Addition during the Year	0.01	0.10	-
Adjustments/ Sales during the Year	-	-	-
Closing Balance	**0.12**	**0.10**	**-**
Opening Balance of Depreciation	**0.01**	**-**	**-**
Addition on account of Scheme of Arrangement	-	-	-
Depreciation Provided during the year	0.01	0.01	-
Adjustments/ Sales during the Year			
Total Depreciation	0.02	0.01	-
Net Closing Balance	**0.10**	**0.10**	**-**

Annexure V

Note - 10
Fixed assets (continued)

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Office Equipments			
Opening Balance	0.39	0.38	0.30
Addition on account of Scheme of Arrangement	-	-	-
Addition during the Year	0.08	0.02	0.07
Adjustments/ Sales during the Year	-	-	-
Closing Balance	**0.47**	**0.39**	**0.38**
Opening Balance of Depreciation	**0.24**	**0.15**	**0.08**
Addition on account of Scheme of Arrangement	-	-	-
Adjustment during the year [1]	-	-	-
Depreciation Provided during the year	0.09	0.08	0.07
Adjustments/ Sales during the Year			
Total Depreciation	0.32	0.24	0.15
Net Closing Balance	**0.15**	**0.16**	**0.22**
Vehicles			
Opening Balance	7.15	1.14	1.14
Addition on account of Scheme of Arrangement	-	-	-
Addition during the Year	0.45	6.01	-
Adjustments/ Sales during the Year	-	-	-
Closing Balance	**7.60**	**7.15**	**1.14**
Opening Balance of Depreciation	**0.72**	**0.36**	**0.13**
Addition on account of Scheme of Arrangement	-	-	-
Transition adjustment recorded against surplus Balance in Reformatted Indian GAAP standalone Statement of F	-	-	-
Depreciation Provided during the year	1.45	0.35	0.23
Adjustments/ Sales during the Year			
Total Depreciation	2.17	0.72	0.36
Net Closing Balance	**5.43**	**6.43**	**0.78**
Total (A)	**6.59**	**7.89**	**2.39**

Annexure V

Note - 10
Fixed assets (continued)

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
B) Intangible Assets			
Software			
Opening Balance	9.84	-	-
Addition on account of Scheme of Arrangement	-	-	-
Addition during the Year	-	9.84	-
Adjustments/ Sales during the Year	-	-	-
Closing Balance	**9.84**	**9.84**	**-**
Opening Balance of Depreciation	**1.15**	**-**	**-**
Addition on account of Scheme of Arrangement	-	-	-
Transition adjustment recorded against surplus Balance in Statement of Profit and Loss	-	-	-
Amortisation during the year	2.46	1.15	-
Adjustments/ Sales during the Year	-	-	-
Total Amortisation	3.61	1.15	-
Net Closing Balance	**6.23**	**8.69**	**-**
Total (B)	**6.23**	**8.69**	**-**
Gross Block	**40.60**	**21.53**	**6.80**
Opening Depreciation	**2.97**	**0.88**	**0.29**
Transition adjustment recorded against surplus Balance in Statement of Profit and Loss	**-**	**-**	**-**
Depreciation Provided during the year	**4.53**	**2.08**	**0.59**
Adjustments/ Sales during the Year	**-**	**-**	**-**
Total Depreciation	**7.50**	**2.97**	**0.88**
Total (A+B)	**12.82**	**16.58**	**2.39**

Annexure V

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 11			
Deferred tax assets: (Net)			
Deferred tax assets:			
Arising on account of temporary differences due to:			
Provision for employee benefits	1.69	1.45	1.11
Provision for loan assets and contingent provision against standard assets	17.11	9.64	4.87
Disallowance under section 35DD of the Income Tax Act,1961	0.02	0.03	0.04
	18.82	**11.13**	**6.02**
Deferred tax liabilities:			
Arising on account of temporary differences due to:			
Difference between book balance and tax balance of fixed assets	0.58	0.86	0.12
Difference between accounting income and taxable income on investments	0.49	1.51	0.88
Provision for bad debts under section 36(1)(viia) of the Income Tax Act,1961	7.70	1.16	-
	8.78	**3.53**	**1.00**
As per Balance Sheet	**10.04**	**7.60**	**5.02**

In compliance with AS - 22 'Accounting for Taxes on Income", as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended, the Company has credited deferred tax of Rs. 2.45 Crores (2016-17 Rs. 2.57 Crores, 2015-16 Rs. 0.13 Crore (net of adjustment on account of Scheme of Arrangement of Rs. 1.13 Crores) (Refer Note 1) to the Reformatted Indian GAAP standalone Statement of Profit and Loss for the year ended March 31, 2018, 2017, 2016.

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 12			
Non-current investments (at cost)			
Long Term - Trade - Unquoted			
In Wholly owned Subsidiary Company:			
1,30,000 (Previous Year 30,000) Fully paid up			
Equity shares of face value USD 1 each in Indiabulls Asset Management Mauritius(1)	0.85	0.20	-
	0.85	**0.20**	**-**
Aggregate book value of unquoted investments	0.85	0.20	-
Aggregate book value of quoted investments	-	-	-
Aggregate market value of quoted investments	-	-	-
N.A.-Not Applicable			

(1) During the year ended March 31, 2018, the Company has invested Rs . 0.65 Crores (2016-17 Rs 0.20 Crores) in Indiabulls Asset Management Mauritius by subscribing to 100,000 shares (Previous year 30,000 shares) of face value of USD 1 per share forming a wholly owned subsidiary company registered in Mauritius, which is a private Company limited by shares holding a Category 1 Global Business License.

Annexure V

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 13			
Long-term loans and advances:			
(i) Loans and other credit facilities			
(a) Secured loans(1 & 2)			
- Considered good(3)	7,230.36	2,943.68	1,124.40
- Considered doubtful	13.83	-	3.70
Less : Securitised/Assigned(Refer note 39)	389.06	22.17	46.17
	6,855.13	**2,921.51**	**1,081.93**
Secured Loans to related parties			
- to fellow subsidiary Company - Indiabulls Finance Company Private Limited	-	-	-
(b) Unsecured loans			
- Considered good(3)	8.84	1.22	89.40
	8.84	**1.22**	**89.40**
Total loan	**6,863.97**	**2,922.73**	**1,171.33**
Less: Provision for loan assets (4&5)	9.71	0.04	1.97
	6,854.26	**2,922.68**	**1,169.36**
(ii) Other unsecured loans and advances (considered good)			
Capital advances	0.47	0.02	8.03
Security deposit for rent	1.13	0.18	0.20
MAT credit entitlement	-	-	1.66
Balances with government authorities			
Income taxes	38.23	28.87	20.54
[Net of provision for tax Rs. 90.16 Crores (2016-17 Rs 89.09 Crores, 2015-16 Rs. 67.45 Crores)]			
Others including prepaid expenses and employee advances	0.29	2.01	4.00
As per Balance Sheet	**6,894.38**	**2,953.75**	**1,203.80**

(1) (a) Secured loan includes housing loan to an erstwhile officer (upto August 14, 2017) for Rs.1.86 Crores (2016-17 Rs 1.88 Crores, 2015-16 Rs. 0.05 Crores).
(b) Secured loan includes loan to Director for Rs.0.56 Crores (2016-17 Rs Nil, 2015-16 Rs. Nil).
(2) Secured loans and other credit facilities given to customers amounting to Rs. 6,855.13 Crores (2016-17 Rs. 2,921.51 Crores, 2015-16 Rs.1,081.93 Crores) are secured / partly secured by :
(a) Equitable mortgage of property and / or
(b) Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or
(c) Hypothecation of assets and / or
(d) Company guarantees and / or
(e) Personal guarantees and / or
(f) Negative lien and / or Undertaking to create a security.
(3) Includes Sub standard assets of Rs. 13.04 Crores (Secured Rs. 13.04 Crores and Unsecured Rs. Nil), (2016-17 Rs. 0.18 Crores (Secured Rs. 0.18 Crores and Unsecured Rs. Nil), (2015-16 Rs. Nil (Secured Rs. Nil and Unsecured Rs. Nil).

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
(4) Movement in provision for loan assets is as under :			
Opening balance	15.66	8.50	10.44
Add: Transfer from Indiabulls Finance Company Private Limited pursuant to scheme of arrangement (Refer Note 1)	-	-	1.83
Add: Addition during the year (net)	0.88	7.16	(3.77)
Closing balance	**16.55**	**15.66**	**8.50**

(5) Provision for loans and other credit facilities in respect of unsecured and secured loans granted is made as per the RBI Directions, 2016 for March 31, 2018 (2016-17: RBI Directions, 2016, 2015-16: RBI Directions, 2015)

Annexure V

Note - 14

Other non-current assets

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Interest accrued on loans	1.70	17.90	19.96
As per Balance Sheet	**1.70**	**17.90**	**19.96**

Note - 15

Current investments:

(At lower of cost and fair value, unless otherwise stated)

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Investment in units of mutual funds (Non-trade, Unquoted)			
Indiabulls Gilt Fund - Direct Plan Growth [No. of units: 26,387.855 (2016-17 : 26,387.855, 2015-16: 26,387.855) NAV: Rs. 1583.3596 (2016-17 Rs.1,546.7356, 2015-16 Rs. 1,351.6985) per unit]	4.18	4.08	3.57
Indiabulls Liquid Fund - Direct- Growth [No.of units NIL (2016-17: 566,572.666, 2015-16: Nil) NAV Rs. Nil (2016-17 Rs. 1,588.8567, 2015-16 Rs. Nil) per unit]	-	90.02	-
JM Money Manager Fund-Super Plus Plan- (Direct) Growth Option [No.of units NIL (2016-17: 18,617,598.869, 2015-16: Nil) NAV Rs. Nil (2016-17 Rs. 23.2989, 2015-16 Rs. Nil) per unit]	-	43.38	-
JM Equity Fund Monthly Dividend Option [No.of units 35,793,030.381 (2016-17: Nil, 2015-16: Nil) NAV Rs. 11.9585 (2016-17 Rs. Nil, 2015-16 Rs. Nil) per unit]	42.80	-	-
JM Balanced Fund - (Direct) - Annual Dividend Option [No.of units 37,880,280.132 (2016-17: Nil, 2015-16: Nil) NAV Rs. 19.8487 (2016-17 Rs. Nil, 2015-16 Rs. Nil) per unit]	75.19	-	-
JM Arbitrage Advantage Fund - (Direct) - Bonus Option [No.of units Nil (2016-17: Nil, 2015-16: 27,679,904.146) NAV Rs. Nil (2016-17 Rs. Nil, 2015-16 Rs. 10.7604) per unit]	-	-	29.78
JM Income Fund (Direct)-Growth Option [No.of units Nil (2016-17: Nil, 2015-16: 1,983,811.695) NAV Rs. Nil (2016-17 Rs. Nil, 2015-16 Rs. 43.5976) per unit]	-	-	40.04
ICICI Prudential Liquid-Direct Plan-Growth [No.of units Nil (2016-17: Nil, 2015-16: 1,784,980.372) NAV Rs. Nil (2016-17 Rs. Nil, 2015-16 Rs. 224.2869) per unit]	-	-	40.03
Reliance Liquid Fund-Treasury Plan-Direct Plan Growth Plan-Growth Option [No.of units Nil (2016-17: Nil, 2015-16: 27,088.522) NAV Rs. Nil (2016-17 Rs. Nil, 2015-16 Rs. 3,695.0156) per unit]	-	-	10.01
Investment in equity shares of Reliance Industries Limited (Quoted)(Refer Note 20(1)) [No.of shares 665,000 (2016-17: Nil, 2015-16: Nil]	54.99	-	-
As per Balance Sheet	**177.15**	**137.48**	**123.43**
Aggregate book value of unquoted investments	122.17	137.48	123.43
Aggregate book value of quoted investments	54.99	-	-
Aggregate market value of quoted investments	58.70	-	-

Annexure V

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 16			
Cash and bank balances			
i) Cash and cash equivalents:			
(a) Cash on hand	0.13	0.34	1.32
(b) Balances with banks			
-In current accounts	267.33	177.59	112.07
	267.46	**177.93**	**113.39**
ii) Other bank balances			
Deposits with original maturity of greater than three months upto one year			
- Margin money account (Refer note 39)	-	18.08	30.69
- In deposit accounts*	30.50	1.42	1.42
	30.50	**19.50**	**32.11**
As per Balance Sheet	**297.96**	**197.43**	**145.50**

*Of the above, balances in fixed deposits of Rs. 30.25 Crores (2016-17 Rs. 1.42 Crores, 2015-16 Rs. Nil) are under lien against cash credit facilities /overdraft facilities /investment in shares. The Company has the complete beneficial interest on the income earned from these deposits.

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 17			
Short-term loans and advances:			
(i) Loans and other credit facilities			
(a) Secured loans(1)			
- Considered good(2)	1,003.04	568.45	475.82
Less : Securitised/Assigned(Refer note 39)	61.76	25.40	65.16
	941.28	**543.05**	**410.66**
(b) Unsecured loans			
- Considered good(2)	7.50	50.88	24.69
	7.50	**50.88**	**24.69**
Total loan	**948.78**	**593.94**	**435.35**
Less: Provision for loan assets ((3 below) & Note 13(4))	6.83	15.62	6.53
	941.95	**578.32**	**428.82**
(ii) Other Unsecured loan and advances (considered good)			
Advance interest on commercial papers	30.80	19.87	9.03
Security deposit with others	0.00	0.00	9.00
Security deposit for rent	0.14	0.16	0.30
Amount receivable on assigned loans			
-from holding company (Net)	0.43	0.46	0.21
-from others	-	2.07	-
Others including prepaid expenses/cenvat credit and employee advance	6.49	2.66	1.68
As per Balance Sheet	**979.81**	**603.54**	**449.04**

Annexure V

Note - 17 continued

(1) Secured loans and other credit facilities given to customers amounting to Rs. 941.28 Crores (2016-17 Rs. 543.05 Crores, 2015-16 Rs. Rs. 410.66 Crores)) are secured / partly secured by :

(a) Equitable mortgage of property and / or

(b) Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or

(c) Hypothecation of assets and / or

(d) Company guarantees and / or

(e) Personal guarantees and / or

(f) Negative lien and / or Undertaking to create a security.

(2) Includes Sub standard Assets of Rs. 22.62 Crores (Secured Rs. 22.62 Crores and Unsecured Rs. Nil) (2016-17 Rs. 63.36 Crores (Secured Rs. 14.62 Crores and Unsecured Rs. 48.74 Crores), (2015-16 Rs. Nil (Secured Rs. Nil and Unsecured Rs. Nil).

(3) Provision for loans and other credit facilities in respect of unsecured and secured loans granted is made as per the RBI Directions, 2016 for March 31, 2018 (2016-17: RBI Directions, 2016, 2015-16: RBI Directions, 2015)

	As at March 31, 2018 Amount (Rs. In Crore)	As at March 31, 2017 Amount (Rs. In Crore)	As at March 31, 2016 Amount (Rs. In Crore)
Note - 18			
Other current assets:			
Other receivables(Refer note 20(1))	25.21	-	-
FCNR hedge premium(Refer note 22(1))	19.14	2.39	-
Interest accrued on fixed deposits	0.24	0.11	0.21
Interest accrued on loans	88.26	15.76	37.79
As per Balance Sheet	**132.85**	**18.27**	**38.00**

	For the year ended March 31, 2018 Amount (Rs. In Crore)	For the year ended March 31, 2017 Amount (Rs. In Crore)	For the year ended March 31, 2016 Amount (Rs. In Crore)
Note - 19			
Revenue from operations:			
(a) Income from financing and investing activities			
Income from financing activities[1]	658.21	265.79	312.57
(b) Income from other financial services			
Fee income from services	129.04	73.03	48.01
Other operating income[2]	56.12	27.09	3.51
As per Statement of Profit and Loss	**843.37**	**365.91**	**364.10**

Annexure V

Note - 19 continued	For the year ended March 31, 2018 Amount (Rs. In Crore)	For the year ended March 31, 2017 Amount (Rs. In Crore)	For the year ended March 31, 2016 Amount (Rs. In Crore)
(1) Income on financing activities includes:			
Interest on financing activity /Income from assignment	656.78	263.48	309.55
Interest on intercorporate deposits	-	-	-
Interest on Investments in Non Convertible Debentures	-	-	-
Interest on fixed deposits (Gross)	1.43	2.30	3.02
	658.21	**265.79**	**312.57**
(2) Other operating Income includes:			
Loan processing fees	47.87	24.44	0.92
Foreclosure fees and other related income	9.63	3.24	2.61
Less: Direct Selling Agents Commission	-	-	-
Less: Client verification charges	1.32	0.59	0.02
Less: Cersai charges	0.05	-	-
As per Statement of Profit and Loss	**56.12**	**27.09**	**3.51**

	For the year ended March 31, 2018 Amount (Rs. In Crore)	For the year ended March 31, 2017 Amount (Rs. In Crore)	For the year ended March 31, 2016 Amount (Rs. In Crore)
Note - 20			
Other income			
Dividend income on units of mutual funds (current investments)	83.89	38.13	3.93
Profit on sale of current investments	-	-	13.27
Gain on mutual fund investments/ other current investments[1]	3.83	3.58	2.02
Miscellaneous income	0.00	0.03	0.47
Balances written back	0.04	0.95	0.06
As per Statement of Profit and Loss	**87.77**	**42.69**	**19.75**

1) In terms of its policy as approved by its Board of Directors which is consistent with its risk management strategy, the Company has hedged its exposure to variability of expected fair value of its investments in certain quoted securities by entering into a corresponding futures contracts of the securities. In accordance with the Guidance Note Accounting for Derivative Contracts, issued by the Institute of Accounting Standards of India, the Company has recorded a net gain of Rs. 0.18 Crore (2016-17 Rs. Nil, 2015-16 Rs. Nil), to the Statement of Profit and Loss against which accounting of fair value hedge has been adopted.

	For the year ended March 31, 2018 Amount (Rs. In Crore)	For the year ended March 31, 2017 Amount (Rs. In Crore)	For the year ended March 31, 2016 Amount (Rs. In Crore)
Note - 21			
Employee benefits expense:			
Salaries	31.32	28.39	31.47
Contribution to provident fund and other statutory funds(Refer note 28)	0.74	0.48	0.24
Provision for gratuity(Refer note 28)	1.01	1.00	0.89
Provision for compensated absences (Refer note 28)	0.10	0.23	0.34
Staff welfare	0.03	0.05	0.11
As per Statement of Profit and Loss	**33.20**	**30.15**	**33.04**

Annexure V

	For the year ended March 31, 2018 Amount (Rs. In Crore)	For the year ended March 31, 2017 Amount (Rs. In Crore)	For the year ended March 31, 2016 Amount (Rs. In Crore)
Note - 22			
Finance costs:			
Interest on loan	215.19	83.50	87.86
Interest on commercial papers	103.08	46.59	72.89
Interest on non convertible debentures	20.44	2.65	-
Interest on taxes	0.02	0.00	0.01
Interest on subordinate debt	4.22	-	-
Bank charges towards borrowings	0.11	0.12	0.09
FCNR hedge premium(1)	15.94	0.14	-
Processing and other fee	2.35	0.31	-
As per Statement of Profit and Loss	**361.36**	**133.30**	**160.85**

(1) During the year ended March 31, 2018, the Company has recognised premium amounting to Rs. 15.94 Crores (2016-17 Rs. 0.14 Crores, 2015-16 Rs.Nil)) in the Reformatted Indian GAAP standalone Statement of Profit and Loss on account of foreign currency forward exchange contracts entered into to hedge foreign currency risk of term loans from banks. Amount of loss on restatement of the forward exchange contract at the closing exchange rates as at March 31, 2018, which offsets the gain on restatement of foreign currency term loans has been recognized as part of Foreign Currency Translation Adjustment. Derivative instruments outstanding as at March 31, 2018 are given below:
a) Forward contracts entered into for hedging purposes and outstanding as at March 31, 2018 in respect of seven forward exchange contracts (2016-17 one contract) is USD 10.95 Crores (2016-17 USD 1.53 Crores, 2015-16 USD Nil) against cross currency of Rs. 702.87 Crores (2016-17 Rs. 100.00 Crores, 2015-16 Rs. Nil).

	For the year ended March 31, 2018 Amount (Rs. In Crore)	For the year ended March 31, 2017 Amount (Rs. In Crore)	For the year ended March 31, 2016 Amount (Rs. In Crore)
Note - 23			
Other expenses:			
Collection charges	0.11	0.36	0.77
Loss on sale of investment(net)	77.23	27.72	-
Depository charges	0.07	0.04	0.02
Stamp paper	1.26	0.38	0.15
Service charges	0.05	0.13	0.12
Rates and taxes	0.18	0.02	0.02
Communication expenses	0.11	0.15	0.23
Legal and professional fees	0.77	0.68	0.68
Rent and other charges(1)	3.23	2.38	2.77
Electricity expenses	0.28	0.31	0.37
Repair & maintenance	0.98	1.28	1.99
Recruitment expenses	0.00	0.00	0.00
Printing and stationery	0.09	0.09	0.07
Travelling and conveyance	0.57	0.59	0.78
Business promotion	-	-	0.00
Auditor's remuneration	0.08	0.08	0.08
Provision for loan assets /Bad debts written off(net of recovery)	68.37	128.74	116.97
Expenditure on corporate social responsibility(3)	1.12	0.64	1.08
Trusteeship fees	0.07	0.03	0.01
Membership fees	0.02	0.00	0.00
Advertisement expenses	0.01	0.00	-
Miscellaneous expenses	0.03	0.05	0.24
As per Statement of Profit and Loss	**154.62**	**163.66**	**126.33**

Annexure V

Note - 23 continued

(1) The Company has taken office premises on Lease and Leave & License basis at various locations in India. Lease rent / License fees aggregating to Rs. 3.23 Crores (2016-17 Rs. 2.38 Crores, 2015-16 Rs. 2.77 Crores) in respect of the same have been charged to the Reformatted Indian GAAP standalone Statement of Profit and Loss. The agreements are executed for periods ranging from 11 months to 9 years (2016-17: 11 months to 6 years, 2015-16: 11 months to 6 years) with a renewable clause. In many cases, the agreements also provide for termination at will by either party by giving a prior notice period between 30 to 90 days. The minimum lease rentals outstanding as at March 31, 2018, are as under:

	Minimum Lease Rentals		
	For the year ended March 31, 2018	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Particulars	**Amount (Rs. In Crore)**	**Amount (Rs. In Crore)**	**Amount (Rs. In Crore)**
Within one year	2.00	1.23	1.85
One to five years	5.06	3.06	4.45
Above five years	2.85	0.16	0.33
	9.90	4.46	6.64

(2) Contingent provision against standard assets / provision for loan assets / bad debts written off (net of recoveries) includes;

	For the year ended March 31, 2018	**For the year ended March 31, 2017**	**For the year ended March 31, 2016**
Particulars	**Amount (Rs. In Crore)**	**Amount (Rs. In Crore)**	**Amount (Rs. In Crore)**
Contingent provisions against standard assets	20.21	6.63	-
Provision for loan assets / bad debt / advances written off*	48.16	122.11	-
Total	**68.37**	**128.74**	**-**

*Net of bad debt recovery of Rs. 2.91 Crores (netted of by bad debt /advances written off of Rs. 1.11 Crores) [(2016-17 net of bad debt recovery of Rs. 0.24 Crore (Netted of by bad debt /advances written off of Rs. 83.55 Crores), 2015-16 Rs. Nil].

(3) In respect of Corporate social responsibility activities, gross amount required to be spent by the Company during the year was Rs. 1.12 Crores (2016-17 Rs. 0.64 Crore, 2015-16 Rs. 1.08 Crores) and Company has paid/spent Rs. 1.12 Crores (2016-17 Rs. 0.64 Crore, 2015-16 Rs. 1.08 Crores).

Note - 24

(a)(i) Term Loans from banks as at March 31, 2018 includes[(1)]:

Particulars	**As at March 31, 2018 (Rs. In Crore)**
Term loan taken from bank(s), This loan is repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for this loan is 6 months from the Balance Sheet date.[(1)]	27.78
Term loan taken from bank(s), These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans is 18 months (average) from the Balance Sheet date.[(1)]	114.58
Term loan taken from bank(s), This loan is repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for this loan is 53 months from the Balance Sheet date.[(1)]	830.00
Term loan taken from bank(s), These loans are repayable in half yearly installment with moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 33 months (average) from the Balance Sheet date.[(1)]	100.00
Term loan taken from bank(s), These loans are repayable in quarterly installment with moratorium period of 1 year from the date of disbursement. The balance tenure for these loans is 30 months (average) from the Balance Sheet date.[(1)]	300.00
Term loan taken from bank(s), These loans are repayable in quarterly installment with moratorium period of 1 year from the date of disbursement. The balance tenure for these loans is 63 months (average) from the Balance Sheet date.[(1)]	575.00
Term loan taken from bank(s), These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 47 months (average) from the Balance Sheet date.[(1)]	1,300.00
Term loan taken from bank(s), These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 48 months (average) from the Balance Sheet date.[(2)]	506.57
Term loan of taken from bank(s), These loans are repayable in bullet at the end of the tenure from the date of disbursement. The balance tenure for these loans is 5 months (average) from the Balance Sheet date.[(2)]	203.07
Total	**3,957.00**

* Includes current maturity of long term debt

Annexure V

(a)(ii) Term Loans from banks as at March 31, 2017 includes[1]:

Particulars	As at March 31, 2017 (Rs. In Crore)
Term loan taken from bank(s), This loan is repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for this loan is 18 months from the Balance Sheet date.[1]	83.33
Term loan taken from bank(s), These loans are repayable in quarterly installment from the date of disbursement. The balance tenure for these loans is 27 months (average) from the Balance Sheet date.[1]	116.67
Term loan taken from bank(s), This loan is repayable in yearly installment with the moratorium period of 3 years from the date of disbursement. The balance tenure for this loan is 61 months from the Balance Sheet date.[1]	200.00
Term loan taken from bank(s), These loans are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for these loans is 44 months (average) from the Balance Sheet date.[1]	800.00
Term loan taken from bank(s), This loan is repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 61 months from the Balance Sheet date.[2]	99.07
Total	**1,299.07**

* Includes current maturity of long term debt
(1) Linked to reference rate used by respective lenders
(2) Linked to Libor

(a)(iii) Term Loans from banks as at March 31, 2016 includes:

Particulars	As at March 31, 2016 (Rs. In Crore)
Term Loan taken from Bank(s), This loan is repayable in quarterly installment with moratorium period of 6 month from the date of disbursement. The balance tenure for these loans is 30 months from the Balance Sheet date.	138.89
Term Loan taken from Bank(s), This loan is repayable in yearly installment from the date of disbursement. The balance tenure for this loan is 12 months from the Balance Sheet date.	33.33
Term Loan taken from Bank(s), This loan is repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 45 months from the Balance Sheet date.	150.00
Term Loan taken from Bank(s), This loan are repayable in yearly installment with the moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 48 months from the Balance Sheet date.	150.00
Total	**472.22**

* Includes current maturity of long term debt
(1) Linked to reference rate used by respective lenders
(2) Linked to Libor

(b) Subordinated debt (unsecured) (repayable at par)

Particulars	As at March 31, 2018 (Rs. In Crore)	As at March 31, 2017 (Rs. In Crore)	As at March 31, 2016 (Rs. In Crore)
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 08, 2027	60.00	-	-
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 30, 2027	40.00	-	-
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on January 05, 2028	50.00	-	-
8.85% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	100.00	-	-
Total	**250.00**	**-**	**-**

Annexure V

Note - 25
Contingent Liability and Commitments :
i) Contingent liabilities not provided for in respect of:
(a) Income tax of Rs. Nil (2016-17 Rs. 0.06 Crore, 2015-16 Rs. 0.06 Crore) with respect to Financial Year 2012-13 on account of disallowance U/s 37 of the Income Tax Act,1961 against which the Company had preferred an appeal before the Commissioner of Income Tax (Appeals). The said appeal was voluntarily withdrawn by the Company and accordingly, the said appeal was dismissed by the Commissioner of Income Tax (Appeals) during the year ended March 31, 2018.

(b) There are no other contingent liabilities to be reported as at March 31, 2018 (2016-17 Rs. Nil, 2015-16 Rs. Nil).
ii) Capital commitments not provided for:
(a) Capital commitments (net of capital advances Rs. 0.47 Crore (2016-17 Rs. 0.02 Crore, 2015-16 Rs. 8.03 Crores) on account of contracts remaining to be executed and not provided for, are estimated at Rs. 5.13 Crores (2016-17 Rs. 0.00 Crores, 2015-16 Rs. 2.80 Crores).
(b) There are no other commitments to be reported as at March 31, 2018 (2016-17 Rs. Nil, 2015-16 Rs. Nil).

Note - 26
As at March 31, 2018
Employees Stock Options Plans of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"):

(a) Stock option plans of the erstwhile Holding Company including plans in lieu of stock options plans of its erstwhile subsidiary Indiabulls Credit Services Limited transferred under the Court approved Plan of Arrangement:

ERSTWHILE PLANS	New PLANS*
1. IBFSL – ICSL Employees Stock Option Plan 2006	IHFL- IBFSL Employees Stock Option Plan 2006
2. IBFSL - ICSL Employees Stock Option Plan II – 2006	IHFL - IBFSL Employees Stock Option Plan II – 2006
3. Employees Stock Option Plan 2008	IHFL - IBFSL Employees Stock Option – 2008

*The name of the plans has been revised by the approval of the Shareholders of the Holding Company in the 8th Annual General Meeting held on July 1, 2013.

(b) Indiabulls Housing Finance Limited Employees Stock Option Plan-2013
The members of IHFL at their Meeting dated March 6, 2013 approved the IHFL ESOS - 2013 plan consisting of 39,000,000 stock options representing 39,000,000 fully paid up Equity Shares of Rs. 2 each of IHFL to be issued in one or more tranches to its eligible employees or to eligible employees of its subsidiaries / step down subsidiaries . The Compensation Committee constituted by the Board of Directors of IHFL has, at its meeting held on October 11, 2014, granted, 10,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 394.75, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on October 10, 2014 following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employees Share Based Payments ("the Guidelines"). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest with effect from the first vesting date i.e. October 11, 2015, whereby the options vest on each vesting date as per the vesting schedule provided in the Plan.

During the current financial year the Compensation Committee constituted by the Board of Directors of IHFL has, at its meeting held on August 10, 2017, granted, 10,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 1,156.50, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on August 10, 2017 following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employees Share Based Payments ("the Guidelines"). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest with effect from the first vesting date i.e. August 12, 2018, whereby the options vest on each vesting date as per the vesting schedule provided in the Scheme

During the current financial year the Compensation Committee constituted by the Board of Directors of IHFL has, at its meeting held on March 24, 2018, granted, 100,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 1,200.40, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on March 23, 2018 following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employees Share Based Payments ("the Guidelines"). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest with effect from the first vesting date i.e. March 25, 2019, whereby the options vest on each vesting date as per the vesting schedule provided in the Scheme.

Annexure V

Note - 26 continued

(c) The other applicable disclosures in respect of the Stock Option Plans of the Holding Company are as under:-

Particulars	**IHFL-IBFSL Employees Stock Option Plan II – 2006**	**IHFL-IBFSL Employees Stock Option – 2008**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**	**IHFL ESOS - 2013**
Total Options under the Plan	720,000	7,500,000	39,000,000	39,000,000	39,000,000
Options issued	720,000	7,500,000	10,500,000	10,500,000	100,000
Vesting Period and Percentage	Four years,25% each year	Ten years,15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
First Vesting Date	1st November, 2008	8th December, 2009	12th October, 2015	12th August, 2018	25th March, 2019
Revised Vesting Period & Percentage	Nine years,11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	NA	NA
Exercise Price (Rs.)	100	95.95	394.75	1156.50	1200.40
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	16,344	724,178	6,695,081	10,500,000	100,000
Regrant Addition	N.A	N.A	N.A	N.A	N.A.
Regrant Date	N.A	N.A	N.A	N.A	N.A
Options vested during the year (Nos.)	-	411,715	2,032,400	-	-
Exercised during the year (Nos.)	15,192	383,124	2,132,700	-	-
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	-	930	14,000	-	-
Re-granted during the year	-	-	-	N.A	N.A
Outstanding at the end of the year (Nos.)	1,152	340,124	4,548,381	10,500,000	100,000
Exercisable at the end of the year (Nos.)	1,152	134,263	497,581	-	-
Remaining contractual Life (Weighted Months)	43	63	70	88	96

Annexure V

Note - 26 continued

Particulars	**IHFL-IBFSL Employees Stock Option – 2008 -Regrant**	**IHFL-IBFSL Employees Stock Option – 2008-Regrant**	**IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant**	**IHFL-IBFSL Employees Stock Option – 2008 - Regrant**	**IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant**
Total Options under the Plan	N.A.	N.A.	N.A.	N.A.	N.A.
Options issued	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.	N.A.
First Vesting Date	31st December, 2010	16th July, 2011	27th August, 2010	11th January, 2012	27th August, 2010
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	125.9	158.5	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	19,710	78,610	158,000	6,000	87,600
Regrant Addition	N.A	N.A.	N.A.	N.A.	N.A.
Regrant Date	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	6,390	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	4,140	20,290	79,000	1,500	43,800
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	-	-	-	-	-
Re-granted during the year	N.A	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	15,570	58,320	79,000	4,500	43,800
Exercisable at the end of the year (Nos.)	2,790	-	-	-	-
Remaining contractual Life (Weighted Months)	72	75	71	69	71

N.A - Not Applicable

Indiabulls Financial Services Limited (IBFSL) and its erstwhile subsidiary, Indiabulls Credit Services Limited had announced the above ESOS/ESOP plans for its employees and the employees of other group companies wherein each option represents one Equity Share of the Holding Company. The Company had adopted the ESOS/ESOP plan in respect of its employees. A Compensation Committee constituted by the Board of Directors of the Holding Company administers each of the above plans.

There is no impact on the Company's net profit and earnings per share in respect of the above plans had the compensation cost for the stock options granted been determined based on the fair value approach.

Annexure V

Note - 26 (continued)

As at March 31, 2017
Employees Stock Options Plans of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"):

(a) Stock option plans of the erstwhile Holding Company including plans in lieu of stock options plans of its erstwhile subsidiary Indiabulls Credit Services Limited transferred under the Court approved Plan of Arrangement:

ERSTWHILE PLANS	New PLANS*
1. IBFSL – ICSL Employees Stock Option Plan 2006	IHFL- IBFSL Employees Stock Option Plan 2006
2. IBFSL - ICSL Employees Stock Option Plan II – 2006	IHFL - IBFSL Employees Stock Option Plan II – 2006
3. Employees Stock Option Plan 2008	IHFL - IBFSL Employees Stock Option – 2008

*The name of the plans has been revised by the approval of the Shareholders of the Holding Company in the 8th Annual General Meeting held on July 1, 2013.

(b) Indiabulls Housing Finance Limited Employees Stock Option Plan-2013
The members of IHFL at their Meeting dated March 6, 2013 approved the IHFL ESOS - 2013 plan consisting of 39,000,000 stock options representing 39,000,000 fully paid up Equity Shares of Rs. 2 each of IHFL to be issued in one or more tranches to its eligible employees or to eligible employees of its subsidiaries / step down subsidiaries . The Compensation Committee constituted by the Board of Directors of IHFL has, at its meeting held on October 11, 2014, granted, 10,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 394.75, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on October 10, 2014 following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employees Share Based Payments ("the Guidelines"). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest with effect from the first vesting date i.e. October 11, 2015, whereby the options vest on each vesting date as per the vesting schedule provided in the Plan.

(c) The other applicable disclosures in respect of the Stock Option Plans of the Holding Company are as under:-

Particulars	IHFL-IBFSL Employees Stock Option Plan – 2006	IHFL-IBFSL Employees Stock Option Plan II – 2006	IHFL-IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013	IHFL-IBFSL Employees Stock Option – 2008 -Regrant
Total Options under the Plan	1,440,000	720,000	7,500,000	39,000,000	N.A.
Options issued	1,440,000	720,000	7,500,000	10,500,000	N.A.
Vesting Period and Percentage	Four years,25% each year	Four years,25% each year	Ten years,15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	N.A.
Vesting Date	1st April	1st November	8th December	12th October	31st December
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years,11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	Ten years, 10% for every year
Exercise Price (Rs.)	41.67	100.00	95.95	394.75	125.90
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	58,536	46,422	1,228,919	8,686,025	33,840
Regrant Addition	N.A	N.A	N.A	N.A	N.A
Regrant Date	N.A	N.A	N.A	N.A	December 31, 2009
Options vested during the year (Nos.)	55,656	24,168	412,335	2,062,000	6,390
Exercised during the year (Nos.)	55,656	29,682	493,666	1,830,144	11,430
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	2,880	396	11,075	160,800	2,700
Re-granted during the year	-	-	-	-	N.A
Outstanding at the end of the year (Nos.)	-	16,344	724,178	6,695,081	19,710
Exercisable at the end of the year (Nos.)	-	16,344	105,672	597,881	540
Remaining contractual Life (Weighted Months)	NA	49	70	76	80

Annexure V

Note - 26 (continued)

Particulars	**IHFL-IBFSL Employees Stock Option – 2008-Regrant**	**IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant**	**IHFL-IBFSL Employees Stock Option – 2008 - Regrant**	**IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant**
Total Options under the Plan	N.A.	N.A.	N.A.	N.A.
Options issued	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.
Vesting Date	16th July	27th August	11th January	27th August
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	158.5	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	97,810	237,000	7,500	131,400
Regrant Addition	N.A.	N.A.	N.A.	N.A.
Regrant Date	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	19,200	79,000	1,500	43,800
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Re-granted during the year	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	78,610	158,000	6,000	87,600
Exercisable at the end of the year (Nos.)	850	39,500	-	21,900
Remaining contractual Life (Weighted Months)	81	71	87	71

N.A - Not Applicable

Indiabulls Financial Services Limited (IBFSL) and its erstwhile subsidiary, Indiabulls Credit Services Limited had announced the above ESOS/ESOP plans for its employees and the employees of other group companies wherein each option represents one Equity Share of the Holding Company. The Company had adopted the ESOS/ESOP plan in respect of its employees. A Compensation Committee constituted by the Board of Directors of the Holding Company administers each of the above plans.

There is no impact on the Company's net profit and earnings per share in respect of the above plans had the compensation cost for the stock options granted been determined based on the fair value approach.

Annexure V

Note - 26 (continued)

As At March 31, 2016
Employees Stock Options Plans of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"):

(a) Stock option plans of the erstwhile Holding Company including plans in lieu of stock options plans of its erstwhile subsidiary Indiabulls Credit Services Limited transferred under the Court approved Plan of Arrangement:

ERSTWHILE PLANS	New PLANS*
1. IBFSL – ICSL Employees Stock Option Plan 2006	IHFL- IBFSL Employees Stock Option Plan 2006
2. IBFSL - ICSL Employees Stock Option Plan II – 2006	IHFL - IBFSL Employees Stock Option Plan II – 2006
3. Employees Stock Option Plan 2008	IHFL - IBFSL Employees Stock Option – 2008

*The name of the plans has been revised by the approval of the Shareholders of the Holding Company in the 8th Annual General Meeting held on July 1, 2013.

(b) Indiabulls Housing Finance Limited Employees Stock Option Plan-2013
The members of IHFL at their Meeting dated March 6, 2013 approved the IHFL ESOS - 2013 plan consisting of 39,000,000 stock options representing 39,000,000 fully paid up Equity Shares of Rs. 2 each of IHFL to be issued in one or more tranches to its eligible employees or to eligible employees of its subsidiaries / step down subsidiaries . The Compensation Committee constituted by the Board of Directors of IHFL has, at its meeting held on October 11, 2014, granted, 10,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 394.75, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on October 10, 2014 following the intrinsic method of accounting as is prescribed in the Guidance Note issued by the Institute of Chartered Accountants of India on Accounting for Employees Share Based Payments ("the Guidelines"). As the options have been granted at intrinsic value, there is no employee stock compensation expense on account of the same. These options vest with effect from the first vesting date i.e. October 11, 2015, whereby the options vest on each vesting date as per the vesting schedule provided in the Plan.

(c) The other applicable disclosures in respect of the Stock Option Plans of the Holding Company are as under:-

Particulars	IHFL-IBFSL Employees Stock Option Plan – 2006	IHFL-IBFSL Employees Stock Option Plan II – 2006	IHFL-IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013	IHFL-IBFSL Employees Stock Option – 2008 -Regrant
Total Options under the Plan	1,440,000	720,000	7,500,000	39,000,000	N.A.
Options issued	1,440,000	720,000	7,500,000	10,500,000	N.A.
Vesting Period and Percentage	Four years,25% each year	Four years,25% each year	Ten years,15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	N.A.
Vesting Date	1st April	1st November	8th December	12th October	31st December
Revised Vesting Period & Percentage	Eight years, 12% each year for 7 years and 16% during the 8th year	Nine years,11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	Ten years, 10% for every year
Exercise Price (Rs.)	41.67	100.00	95.95	394.75	125.90
Exercisable Period	4 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	104,526	63,126	1,596,088	10,468,000	37,440
Regrant Addition	N.A	N.A	N.A	N.A	N.A
Regrant Date	N.A	N.A	N.A	N.A	December 31, 2009
Options vested during the year (Nos.)	44,334	21,753	417,300	2,088,400	6,840
Exercised during the year (Nos.)	45,414	13,464	357,731	1,706,375	3,600
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	576	3,240	9,438	75,600	-
Re-granted during the year	-	-	-	-	N.A
Outstanding at the end of the year (Nos.)	58,536	46,422	1,228,919	8,686,025	33,840
Exercisable at the end of the year (Nos.)	-	22,254	189,153	382,025	6,480
Remaining contractual Life (Weighted Months)	48	58	73	83	80

Annexure V

Note - 26 (continued)

Particulars	**IHFL-IBFSL Employees Stock Option – 2008-Regrant**	**IHFL-IBFSL Employees Stock Option Plan – 2006 - Regrant**	**IHFL-IBFSL Employees Stock Option – 2008 - Regrant**	**IHFL-IBFSL Employees Stock Option Plan II – 2006 -Regrant**
Total Options under the Plan	N.A.	N.A.	N.A.	N.A.
Options issued	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.
Vesting Date	16th July	27th August	11th January	27th August
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	158.5	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	123,450	237,000	10,700	131,400
Regrant Addition	N.A.	N.A.	N.A.	N.A.
Regrant Date	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	19,640		3,200	-
Expired during the year (Nos.)	-	-	-	-
Cancelled during the year	-	-	-	-
Lapsed during the year	6,000	-	-	-
Re-granted during the year	N.A	N.A	N.A	N.A
Outstanding at the end of the year (Nos.)	97,810	237,000	7,500	131,400
Exercisable at the end of the year (Nos.)	610	79,000	-	43,800
Remaining contractual Life (Weighted Months)	87	71	93	71

N.A - Not Applicable

Indiabulls Financial Services Limited (IBFSL) and its erstwhile subsidiary, Indiabulls Credit Services Limited had announced the above ESOS/ESOP plans for its employees and the employees of other group companies wherein each option represents one Equity Share of the Holding Company. The Company had adopted the ESOS/ESOP plan in respect of its employees. A Compensation Committee constituted by the Board of Directors of the Holding Company administers each of the above plans.

There is no impact on the Company's net profit and earnings per share in respect of the above plans had the compensation cost for the stock options granted been determined based on the fair value approach.

Annexure V

Note - 27

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	**As at March 31, 2018 Amount (Rs. in crores)**	**As at March 31, 2017 Amount (Rs. in crores)**	**As at March 31, 2016 Amount (Rs. in crores)**
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note - 28
Employee benefits:
<u>(a) Defined contribution plans</u>

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee’s salary. The Company has recognised an amount of Rs. 0.74 Crores (2016-17 Rs. 0.48 Crores, 2015-16 Rs. 0.24 Crores) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

<u>(b) Defined benefits plan</u>

Provision for Gratuity and Compensated Absences for all employees is based upon actuarial valuation done at the end of every financial year/period. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. After the issuance of the Accounting Standard 15 (Revised 2005) - ‘Employee Benefits’, commitments are actuarially determined using the ‘Projected Unit Credit’ method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Annexure V

Note - 28
Employee benefits: (continued)

Disclosures in respect of Gratuity and Compensated Absences: **Amount (Rs. In Crore)**

Particulars	March 31, 2018		March 31, 2017		March 31, 2016	
	Gratuity (unfunded)	Compensated absences (unfunded)	Gratuity (unfunded)	Compensated absences (unfunded)	Gratuity (unfunded)	Compensated absences (unfunded)
Reconciliation of liability recognized in the Balance Sheet:						
Present value of commitments (as per actuarial valuation)	3.52	1.32	2.94	1.26	2.19	1.03
Fair value of plans	-	-	-	-	-	-
Net liability in the Balance Sheet (Actual)	3.52	1.32	2.94	1.26	2.19	1.03
Movement in net liability recognized in the Balance Sheet:						
Net liability as at beginning of the year	2.94	1.26	2.19	1.03	1.52	0.67
Net expense/(gain) recognized in the Statement of Profit and Loss	1.01	0.10	1.00	0.23	0.89	0.34
Less: Benefits paid during the year	(0.36)	-	(0.24)	-	(0.16)	-
Transferred from Indiabulls Finance Company Private Limited pursuant to Scheme of Arrangement (Refer Note:1)	-	-	-	-	0.29	0.16
Contribution during the year	-	-	-	-	-	-
Acquisition Adjustment (net of settlement amount)	(0.07)	(0.04)	-	-	(0.35)	(0.14)
Net liability as at end of the year	3.52	1.32	2.94	1.26	2.19	1.03
Expense recognized in the Statement of Profit and Loss						
Current service cost	0.55	0.24	0.55	0.29	-	-
Past service cost	0.16	-	-	-	0.52	0.32
Interest cost	0.22	0.09	0.17	0.08	0.14	0.07
Expected return on plan assets	-	-	-	-	-	-
Actuarial (gains)/ losses	0.09	(0.23)	0.27	(0.14)	0.22	(0.04)
Expense/(Income) charged to the Statement of Profit and Loss	1.01	0.10	1.00	0.23	0.89	0.34
Return on plan assets:					-	-
Expected return on plan assets	-	-	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-	-	-
Actual return on plan assets	-	-	-	-	-	-
Reconciliation of defined-benefit commitments:					-	-
As at beginning of the year	2.94	1.26	2.19	1.03	1.52	0.67
Current service cost	0.55	0.24	0.55	0.29	0.29	0.16
Past service cost	0.16	-	-	-	0.52	0.32
Interest cost	0.22	0.09	0.17	0.08	0.14	0.07
Less: Benefits paid during the year	0.36	-	0.24	-	0.16	-
Actuarial (gains)/ losses	0.09	(0.23)	0.27	(0.14)	0.22	(0.04)
Acquisition Adjustment (net of settlement amount)	(0.07)	(0.04)	-	-	(0.35)	(0.14)
Commitments as at end of the year	3.52	1.32	2.94	1.26	2.19	1.03
Reconciliation of plan assets:						
Plan assets as at beginning of the year	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Contributions during the year	-	-	-	-	-	-
Paid benefits	-	-	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-	-	-
Plan assets as at end of the year	-	-	-	-	-	-

Annexure V

Note - 28
Employee benefits: (continued)

Experience adjustments:

Amount (Rs. In Crore)

Particulars	Gratuity (Unfunded)			
	Financial years			
	2017-18	2016-17	2015-16	2014-15
On plan liabilities gain/(loss)	(0.34)	0.02	(0.22)	(0.07)
On plan assets gain/(loss)	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	3.52	2.94	2.19	1.52
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	3.52	2.94	2.19	1.52
Particulars	**Gratuity (Unfunded)**			
	Financial years			
	2013-14	**2012-13**	**2011-12**	**2010-11**
On plan liabilities gain/(loss)	(0.30)	N.A.	N.A.	N.A.
On plan assets gain/(loss)	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	1.17	0.12	0.02	N.A.
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	1.17	0.12	0.02	N.A.

Amount (Rs. In Crore)

Particulars	Compensated absences (Unfunded)			
	Financial years			
	2017-18	2016-17	2015-16	2014-15
On plan liabilities gain/(loss)	0.13	0.26	0.04	0.11
On plan assets gain/(loss)	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	1.32	1.26	1.03	0.67
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	1.32	1.26	1.03	0.67
Particulars	**Compensated absences (Unfunded)**			
	Financial years			
	2013-14	**2012-13**	**2011-12**	**2010-11**
On plan liabilities gain/(loss)	0.09	N.A.	N.A.	N.A.
On plan assets gain/(loss)	N.A.	N.A.	N.A.	N.A.
Present value of benefit obligation	0.55	0.08	0.01	N.A.
Fair value of plan assets	N.A.	N.A.	N.A.	N.A.
Excess of (obligation over plan assets)/plan assets over obligation	0.55	0.08	0.01	N.A.

Annexure V

Note - 28 continued

The actuarial calculations used to estimate commitments and expenses in respect of Gratuity and Compensated Absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Discount rate – gratuity and compensated absences	7.80%	7.35%	8.00%
Expected return on plan assets	N.A.	N.A.	N.A.
Expected rate of salary increase	6.00%	6.00%	6.00%
Mortality table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)

N.A.: Not Applicable

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity is Rs. 1.02 Crores (2016-17 Rs. 0.97 Crores, 2015-16 Rs. 0.90 Crores) and Compensated Absences is Rs. 0.39 Crores (2016-17 Rs. 0.40 Crores, 2015-16 Rs. 0.39 Crores) respectively.

Note 29

Segment information for the year ended March 31, 2018, as per Accounting Standard (AS)-17 "Segment Reporting" :

(a) Primary segment information (by business segment)

Amount (Rs.In Crore)

Particulars	Reporting period ended	Investing and financing related activities	Fee income based activity	Total
Segment Revenue#	2017-18	802.05	129.04	931.09
	2016-17	306.87	73.03	379.90
	2015-16	335.31	48.01	383.32
Segment Results	2017-18	249.99	128.63	378.62
	2016-17	6.56	72.66	79.21
	2015-16	16.66	47.64	64.30
Add: Unallocated income (net of other unallocated expenditure)	2017-18	-	-	-
	2016-17	-	-	-
	2015-16	-	-	-
Less: Unallocated expenditure (net of other unallocated income)	2017-18	-	-	1.20
	2016-17	-	-	(0.18)
	2015-16	-	-	1.26
Less: Income taxes and Deferred tax (credit)	2017-18	-	-	122.53
	2016-17	-	-	20.85
	2015-16	-	-	12.49
Profit after tax	2017-18	-	-	254.90
	2016-17	-	-	58.55
	2015-16	-	-	50.55
Segment Assets	2017-18	8,453.78	-	8,453.78
	2016-17	3,909.63	-	3,909.63
	2015-16	1,956.22	-	1,956.22
Unallocated Corporate Assets	2017-18	-	-	53.78
	2016-17	-	-	43.10
	2015-16	-	-	30.92

Annexure V

Note 29
Segment information for the year ended March 31, 2018, as per Accounting Standard (AS)-17 "Segment Reporting" : (continued)

(a) Primary segment information (by business segment) (continued)

Amount (Rs.In Crore)

Particulars	Reporting period ended	Investing and financing related activities	Fee income based activity	Total
Total Assets	2017-18	-	-	8,507.56
	2016-17	-	-	3,952.73
	2015-16	-	-	1,987.14
Segment Liabilities	2017-18	7,164.02	-	7,164.02
	2016-17	3,154.38	-	3,154.38
	2015-16	1,251.73	-	1,251.73
Unallocated Corporate Liabilities	2017-18	-	-	60.22
	2016-17	-	-	15.75
	2015-16	-	-	8.76
Total Liabilities	2017-18	-	-	7,224.24
	2016-17	-	-	3,170.13
	2015-16	-	-	1,260.50
Capital Expenditure	2017-18	0.77	-	0.77
	2016-17	16.28	-	16.28
	2015-16	9.38	-	9.38
Unallocated Capital Expenditure	2017-18	-	-	-
	2016-17	-	-	-
	2015-16	-	-	-
Total Capital Expenditure	2017-18	-	-	0.77
	2016-17	-	-	16.28
	2015-16	-	-	9.38
Depreciation / Amortisation	2017-18	3.08	-	3.08
	2016-17	1.73	-	1.73
	2015-16	0.36	-	0.36
Unallocated Depreciation	2017-18	-	-	1.45
	2016-17	-	-	0.35
	2015-16	-	-	0.23
Total Depreciation / Amortisation	2017-18	-	-	4.53
	2016-17	-	-	2.08
	2015-16	-	-	0.59
Non-Cash expenditure other than depreciation	2017-18	23.31	-	23.31
	2016-17	98.57	-	98.57
	2015-16	99.96	-	99.96
Unallocated Non-Cash expenditure other than depreciation	2017-18	-	-	-
	2016-17	-	-	-
Total Non-Cash Expenditure other than depreciation	2017-18	-	-	23.31
	2016-17	-	-	98.57
	2015-16	-	-	99.96

#Includes Dividend Income on units of Mutual Fund, Gain on Mutual Fund Investments and Profit on sale of current investments included in other income.
b) The Company operates solely in one Geographic segment namely "Within India" and hence no separate information for Geographic segment wise disclosure is required.
c) The Company's primary business activities are to carry on the business of investing and finance related activities and fee income which mainly comprises of financial service related Fee income from services and other related ancillary services.

d) Segment revenue, results, assets and liabilities include amounts identifiable to each segment and amounts allocated on a reasonable basis.
e) The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparation of financial information as disclosed in Significant Accounting Policies (Refer Note 2) above.

Annexure V

Note - 30
Disclosures in respect of AS - 18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended:

(a) Details of related parties:	**2017-18**	**2016-17**	**2015-16**
Description of relationship	**Names of related parties**	**Names of related parties**	**Names of related parties**
(i) Where control exists			
Holding company	Indiabulls Housing Finance Limited	Indiabulls Housing Finance Limited	Indiabulls Housing Finance Limited
Subsidiary company	Indiabulls Asset Management Mauritius (w.e.f. July 18, 2016)	Indiabulls Asset Management Mauritius (w.e.f. July 18, 2016)	N.A.
Fellow subsidiary companies (including step down subsidiaries)	Indiabulls Advisory Services Limited	Indiabulls Advisory Services Limited	Indiabulls Advisory Services Limited
	Indiabulls Asset Reconstruction Company Limited (Subsidiary of Indiabulls Advisory Services Limited) upto October 2, 2016	Indiabulls Asset Reconstruction Company Limited (Subsidiary of Indiabulls Advisory Services Limited) upto October 2, 2016	Indiabulls Asset Reconstruction Company Limited (Subsidiary of Indiabulls Advisory Services Limited)
	Indiabulls Capital Services Limited	Indiabulls Capital Services Limited	Indiabulls Capital Services Limited
	Indiabulls Insurance Advisors Limited	Indiabulls Insurance Advisors Limited	Indiabulls Insurance Advisors Limited
	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)	Nilgiri Financial Consultants Limited (Subsidiary of Indiabulls Insurance Advisors Limited)
	Indiabulls Asset Holding Company Limited	Indiabulls Asset Holding Company Limited	Indiabulls Asset Holding Company Limited
	Indiabulls Collection Agency Limited	Indiabulls Collection Agency Limited	Indiabulls Collection Agency Limited
	Indiabulls Asset Management Company Limited	Indiabulls Asset Management Company Limited	Indiabulls Asset Management Company Limited
	-	-	Indiabulls Finance Company Private Limited (Up to March 31, 2015) (Refer Note:1)
	Indiabulls Life Insurance Company Limited till December 8, 2017	Indiabulls Life Insurance Company Limited	Indiabulls Life Insurance Company Limited
	Indiabulls Trustee Company Limited	Indiabulls Trustee Company Limited	Indiabulls Trustee Company Limited
	Ibulls Sales Limited	Ibulls Sales Limited	Ibulls Sales Limited
	Indiabulls Holdings Limited	Indiabulls Holdings Limited	Indiabulls Holdings Limited
	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Management Company Limited (Subsidiary of Indiabulls Holdings Limited)
	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)	Indiabulls Venture Capital Trustee Company Limited (Subsidiary of Indiabulls Holdings Limited)
(ii) Other related parties			
Associate of holding company	Oaknorth Holdings Limited (w.e.f. November 13, 2015)	Oaknorth Holdings Limited (w.e.f. November 13, 2015)	Oaknorth Holdings Limited (w.e.f. November 13, 2015)
Key management personnel	Mr. Ajit Kumar Mittal – Non-Executive Chairman (with effect from August 14, 2017) (Whole Time Director upto August 14, 2017)	Mr. Ajit Kumar Mittal – (Whole Time Director)	Mr. Ajit Kumar Mittal – (Whole Time Director)
	Mr. Ripudaman Bandral – Managing Director (with effect from August 16, 2017)		
	Mr.Ashish Kumar Jain - Chief Financial Officer	Mr.Ashish Kumar Jain - Chief Financial Officer	Mr.Ashish Kumar Jain - Chief Financial Officer

Annexure V

Note - 30 continued
Disclosures in respect of AS - 18 'Related Party Disclosures' as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended: (continued)

(b) Significant transactions with related parties:

Amount (Rs.In Crore)

Nature of Transaction	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Finance			
Issue of Equity Shares			
Holding Company	250.00	-	-
Total	**250.00**	**-**	**-**
Loan taken (Maximum balance outstanding at any time during the year)			
Holding Company	1,640.00	1,450.00	792.15
Fellow Subsidiary Companies	14.88	10.95	8.82
Total	**1,654.88**	**1,460.95**	**800.97**
Investments			
Investments in equity shares			
Subsidiary Company	0.65	0.20	-
Total	**0.65**	**0.20**	-
Expenses			
Interest expenses			
Holding Company	61.37	36.69	31.49
Fellow Subsidiary Companies	1.14	0.95	0.47
Total	**62.51**	**37.64**	**31.96**
Service charges			
Holding Company	0.05	0.13	-
Total	**0.05**	**0.13**	**-**
Salary / Remuneration (including perquisite and retirement benefits)			
Key Management Personnel	1.37	-	-
Total	**1.37**	**-**	**-**
Other receipts and payments			
Employee benefits transfer received / (paid)(net)			
Holding Company	-	-	(0.49)
Purchase of investment in commercial paper			
Holding Company	-	-	79.36
Total	**-**	**-**	**78.87**

Annexure V

Note - 30 continued

(c) Statement of material transactions:

Amount (Rs.In Crore)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
Issue of Equity Shares			
-Indiabulls Housing Finance Limited	250.00	-	-
Loan taken			
-Indiabulls Housing Finance Limited	1,640.00	1,450.00	792.15
-Nilgiri Financial Consultants Limited	14.88	10.95	8.82
Investment in equity shares			
-Indiabulls Asset Management Mauritius	0.65	0.20	-
Purchase of investment in commercial Paper			
-Indiabulls Housing Finance Limited	-	-	79.36
Interest on loans taken			
-Indiabulls Housing Finance Limited	61.37	36.69	31.49
-Nilgiri Financial Consultants Limited	1.14	0.95	0.47
Service charges			
-Indiabulls Housing Finance Limited	0.05	0.13	-
Salary / Remuneration/Retiral Benefits to Managing Director			
Salary/Remuneration			
-Ripudaman Bandral	1.10	-	-
Retiral Benefits			
-Ripudaman Bandral	0.27	-	-
Retirement benefits transfer received / (paid) (net)			
-Indiabulls Housing Finance Limited	-	-	(0.49)

(d) Outstanding at year end:

Amount (Rs.In Crore)

Nature of Transaction	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Loans taken			
Holding Company			
Indiabulls Housing Finance Limited	80.00	-	104.47
Loans taken			
Fellow Subsidiary Companies			
Nilgiri Financial Consultants Limited	14.53	10.43	8.77
Amount receivable on assigned loans			
Holding Company			
Indiabulls Housing Finance Limited	0.43	0.46	0.21

In accordance with AS 18, disclosures in respect of transactions with identified related parties are given only for such period during which such relationships existed. Related Party relationships are given above are as identified by the Company and relied upon by the Auditors.

Annexure V

Note - 31
Earnings per share:
Basic earnings per share is computed by dividing the net profit/(loss) attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted earnings per share are computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The number of equity shares and potential diluted equity shares are adjusted for stock split and bonus shares as appropriate.

Amount (Rs.In Crore)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Net Profit/(Loss) after tax (Rs.in crores)	254.90	58.56	50.55
Less: Provision for dividend on preference shares	2.25	2.25	2.25
Net Profit/(Loss) available for equity shareholders for computing Basic earnings per share (Rs.in crores)	252.65	56.30	48.30
Weighted average number of equity shares used for computing Basic earnings per share	4.62	4.28	4.28
Earnings per share – Basic (Rs. per share)	54.70	13.15	11.28
Net Profit/(Loss) available for equity shareholders for computing Diluted earnings per share (Rs. in crores)	254.90	58.55	50.55
Weighted average number of equity shares used for computing Diluted earnings per share	6.87	6.53	6.53
Earnings per share – Diluted (Rs. per share)	37.11	8.96	7.74
Nominal value of equity shares – (Rs. per share)	10.00	10.00	10.00

Note - 32
Disclosures in terms of Annex I Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company;

Particulars						**Amount (Rs.In Crore)**
	March 31, 2018		**March 31, 2017**		**March 31, 2016**	
Liabilities side:	**Amount Outstanding**	**Amount Overdue**	**Amount Outstanding**	**Amount Overdue**	**Amount Outstanding**	**Amount Overdue**
(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:						
(a) Debentures : Secured[(1)]	309.48	Nil	42.65	Nil	Nil	Nil
: Unsecured	Nil	Nil	Nil	Nil	Nil	Nil
(other than falling within the meaning of public deposits)	-	-	-	-	-	-
(b) Deferred Credits	Nil	Nil	Nil	Nil	Nil	Nil
(c) Term Loans[(2)]	3,960.02	Nil	1,299.09	Nil	472.22	Nil
(d) Inter-corporate loans and borrowing	Nil	Nil	Nil	Nil	Nil	Nil
(e) Commercial Paper	2,295.00	Nil	1,450.00	Nil	650.00	Nil
(f) Other Loans – (specify nature)						
– Overdraft Facility (including interest accrued but not due)	Nil	Nil	Nil	Nil	Nil	Nil
– Loan from Holding Company	80.00	Nil	Nil	Nil	104.47	Nil
– Loan from Fellow Subsidiary	14.53	Nil	10.43	Nil	8.77	Nil
– Subordinate Debt[(3)]	254.22	Nil	Nil	Nil	Nil	Nil
– From Banks-Cash Credit Facility	51.41	Nil	Nil	Nil	Nil	Nil

(1) Includes interest accrued but not paid for Rs. 19.47 crores (2016-17 Rs. 2.64 crores, 2015-16 Rs. Nil)
(2) Includes interest accrued but not paid for Rs. 3.02 crores (2016-17 Rs. 0.02 crores , 2015-16 Rs. Nil)
(3) Includes interest accrued but not paid for Rs. 4.22 crores (2016-17 Rs. Nil, 2015-16 Rs. Nil)

Amount (Rs.In Crore)

Assets side:	**Amount Outstanding**		
	March 31, 2018	**March 31, 2017**	**March 31, 2016**
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below:]			
(a) Secured	7,796.41	3,464.56	1,492.59
(b) Unsecured	16.35	52.10	114.09

Annexure V

Note - 32

Disclosures in terms of Annex I Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company (Continued)

(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities			
(i) Lease assets including lease rentals under sundry debtors			
(a) Financial lease	Nil	Nil	Nil
(b) Operating lease	Nil	Nil	Nil
(ii) Stock on hire including hire charges under sundry debtors:			
(a) Assets on hire	Nil	Nil	Nil
(b) Repossessed Assets	Nil	Nil	Nil
(iii) Other loans counting towards AFC activities			
(a) Loans where assets have been repossessed	Nil	Nil	Nil
(b) Loans other than (a) above	Nil	Nil	Nil

Amount (Rs.In Crore)

(4) Break-up of Investments:	**Amount Outstanding**		
	March 31, 2018	**March 31, 2017**	**March 31, 2016**
Current Investments			
1. Quoted:			
(i) Shares : (a) Equity	54.99	Nil	Nil
(b) Preference	Nil	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil	Nil
(iii) Units of mutual funds	Nil	Nil	Nil
(iv) Government Securities	Nil	Nil	Nil
(v) Others (please specify)	Nil	Nil	Nil
2. Unquoted:			
(i) Shares : (a) Equity	Nil	Nil	Nil
(b) Preference	Nil	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil	Nil
(iii) Units of mutual funds	122.17	137.48	123.43
(iv) Government Securities	Nil	Nil	Nil
(v) Others (please specify)	Nil	Nil	Nil
Long Term investments :			
1. Quoted :			
(i) Shares : (a) Equity	Nil	Nil	Nil
(b) Preference	Nil	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil	Nil
(iii) Units of mutual funds	Nil	Nil	Nil
(iv) Government Securities	Nil	Nil	Nil
(v) Others (please specify)	Nil	Nil	Nil
2. Unquoted :			
(i) Shares : (a) Equity	0.85	0.20	Nil
(b) Preference	Nil	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil	Nil
(iii) Units of mutual funds	Nil	Nil	Nil
(iv) Government Securities	Nil	Nil	Nil
(v) Others (please specify)	Nil	Nil	Nil

Annexure V

Note - 32

Disclosures in terms of Annex I Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company (Continued)

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Amount (Rs.In Crore)

Category	Amount net of provisions		
	March 31, 2018		
1.Related Parties	Secured	Unsecured	Total
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties*	7,779.87	16.35	7,796.21
Total	**7,779.87**	**16.35**	**7,796.21**
Category	**Amount net of provisions**		
	March 31, 2017		
1.Related Parties	Secured	Unsecured	Total
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties*	3,463.08	37.92	3,501.00
Total	**3,463.08**	**37.92**	**3,501.00**
Category	**Amount net of provisions**		
	March 31, 2016		
1.Related Parties	Secured	Unsecured	Total
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties*	1,489.99	108.19	1,598.18
Total	**1,489.99**	**108.19**	**1,598.18**

*Excludes Provision against loan assets of Rs. 16.55 Crores (2016-17 Rs 15.66 Crores, 2015-16 Rs. 8.50 Crores)

(6) Investor group-wise classification of all investments (Current and Long term) in shares and securities (both quoted and unquoted):

Amount (Rs.In Crore)

Category	March 31, 2018		March 31, 2017		March 31, 2016	
	Market Value / Break up or fair value or NAV (Rs.)	Book Value (Net of Provision) (Rs.)	Market Value / Break up or fair value or NAV (Rs.)	Book Value (Net of Provision) (Rs.)	Market Value / Break up or fair value or NAV (Rs.)	Book Value (Net of Provision) (Rs.)
1. Related Parties						
(a) Subsidiaries	0.85	0.85	0.20	0.20	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil	Nil	Nil	Nil
2. Other than related parties:						
Investment in equity shares(quoted)	58.70	54.99	Nil	Nil	Nil	Nil
Investment in Units of mutual funds	122.17	122.17	137.48	137.48	123.43	123.43
Total	**181.72**	**178.00**	**137.68**	**137.68**	**123.43**	**123.43**

(7) Other information:

Particulars	Amount (Rs.In Crore)		
	March 31, 2018	March 31, 2017	March 31, 2016
(i) Gross Non-Performing Assets			
(a) Related parties	Nil	Nil	Nil
(b) Other than related parties	49.49	63.54	38.74
(ii) Net Non-Performing Assets			
(a) Related parties	Nil	Nil	Nil
(b) Other than related parties	32.95	47.88	30.23

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the Auditors.

Annexure V

Note - 33

Disclosures in terms of Annex XII Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company;

(i) Disclosure of Capital to Risk Assets Ratio (CRAR):

Items	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
CRAR (%)	18.72%	20.49%	38.29%
CRAR - Tier I Capital (%)	15.26%	20.49%	38.29%
CRAR - Tier II Capital (%)	3.46%	0.00%	0.00%
Amount of subordinated debt raised as Tier-II capital (Rs in Crores)	0.00	Nil	Nil
Amount raised by issue of Perpetual Debt Instruments	Nil	Nil	Nil

(ii)(a) Exposure to Real Estate Sector: **Amount (Rs.In Crore)**

Category	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Direct Exposure			
(a) Residential Mortgages -			
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans up to Rs.15 lakh are Rs. Nil (Previous year Rs. 0.59 Crore).	2.11	995.52	110.80
(b) Commercial Real Estate -			
Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	7,628.04	2,248.04	1,060.16
(c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -			
(i) Residential	Nil	Nil	Nil
(ii) Commercial Real Estate.	Nil	Nil	Nil
Total Exposure to Real Estate Sector	**7,630.15**	**3,243.55**	**1,170.96**

(ii)(b) Exposure to Capital Market: **Amount (Rs.In Crore)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	172.98	-	29.78
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	15.53	10.37	7.47
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-	-
Total Exposure to Capital Market	**188.50**	**10.37**	**37.26**

Annexure V

Note - 33

Disclosures in terms of Annex XII Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company; (continued)

(iii) Maturity pattern of certain items of assets and liabilities:

Particulars	Reporting period ended	Amount(in Rs. crores)					
		Deposits	Advances	Investments	Borrowings	Foreign Currency assets	Foreign Currency Liabilities
1day to 30/31 days (one month)	2017-18	-	200.17	1.25	51.41	-	-
	2016-17	-	83.49	138.65	-	-	-
	2015-16		76.47	-	-	-	-
Over one month to 2 months	2017-18	-	142.59	142.17	410.00	-	-
	2016-17	-	135.60	-	-	-	-
	2015-16		21.32	123.43	260.00	-	-
Over 2 months to 3 months	2017-18	-	174.67	-	792.72	-	-
	2016-17	-	42.70	-	607.99	-	-
	2015-16		101.24	-	13.89	-	-
Over 3 months to 6 months	2017-18	-	365.77	63.99	272.74	-	5.55
	2016-17	-	119.93	-	27.99	-	3.47
	2015-16		72.95	-	13.89	-	-
Over 6 months to 1 year	2017-18	-	839.75	0.25	207.50	-	15.33
	2016-17	-	236.21	18.33	166.41	-	-
	2015-16		219.99	32.11	69.88	-	-
Over 1 year to 3 years	2017-18	-	2,555.98	-	1,935.77	-	-
	2016-17	-	948.30	-	1,352.26	-	-
	2015-16		674.67	-	777.80	-	-
Over 3 years to 5 years	2017-18	-	2,447.80	-	2,490.05	-	-
	2016-17	-	700.95	-	604.84	-	-
	2015-16		360.34	-	100.00	-	-
Over 5 years	2017-18	-	1,281.52	0.85	777.75	-	-
	2016-17	-	1,326.26	0.20	40.00	-	-
	2015-16		279.53	-	-	-	-
Total	2017-18	**-**	**8,008.25**	**208.51**	**6,937.94**	**-**	**20.88**
	2016-17	**-**	**3,593.44**	**157.18**	**2,799.50**	**-**	**3.47**
	2015-16	**-**	**1,806.51**	**155.54**	**1,235.46**	**-**	**-**

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

(iv) Disclosures of Investments

Amount (Rs. In crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(1) Value of Investments			
(i) Gross Value of Investments			
a) In India	177.15	137.48	123.43
b) Outside India	0.85	0.20	Nil
(ii) Provision for Depreciation			
a) In India	Nil	Nil	Nil
b) Outside India	Nil	Nil	Nil
(iii) Net Value of Investments			
a) In India	177.15	137.48	123.43
b) Outside India	0.85	0.20	Nil
(2) Movement of provisions held towards depreciation on investments			
(i) Opening balance	Nil	Nil	Nil
(ii) Add: Provisions made during the year	Nil	Nil	Nil
(iii) Less: Write-off/write-back of excess provisions during the year	Nil	Nil	Nil
(iv) Closing balance	Nil	Nil	Nil

Annexure V

Note - 33 (continued)

Disclosures in terms of Annex XII Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company; (continued)

(v) Disclosures of Derivatives

(a) Forward Rate Agreement/Interest Rate Swap **Amount (Rs. In crores)**

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
(i) The notional principal of swap agreements	Nil	Nil	Nil
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	Nil	Nil	Nil
(iii) Collateral required by the NBFC upon entering into swaps	Nil	Nil	Nil
(iv) Concentrations of credit risk arising from swaps	Nil	Nil	Nil
(v) The fair value of the swap book	Nil	Nil	Nil

(b) Exchange Traded Interest Rate (IR) Derivatives # **Amount (Rs. In crores)**

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Nil	Nil	Nil
(ii) Notional principal amount of exchange traded IR derivatives outstanding (instrument-wise)	Nil	Nil	Nil
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective"(instrument-wise)	Nil	Nil	Nil
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective"(instrument-wise)	Nil	Nil	Nil

(c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

In the ordinary course of its business, the Company is exposed to risks resulting from changes in foreign currency exchange rates. It manages its exposure to these risks through derivative financial instruments. It uses derivative instruments such as forwards to manage these risks, in terms of its policy as approved by its Board of Directors which is consistent with its risk management strategy. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations. The Company's risk management activities are subject to the management, direction and control of Risk Management Committee of its Board of Directors, which reports to the Board on the scope of its activities. The Company has appropriately segregated the functions and activities pertaining to its derivative transactions. All derivative transactions entered into by the Company are reported to the Board, and the mark-to-market gain/loss on its portfolio is monitored regularly by the senior management. As at March 31, 2018, the Company has seven forward exchange contracts outstanding and entered into, to hedge foreign currency risk on the notional principal amount of Rs 7,028,685,783 (Previous year Rs. 1,000,000,000) in respect of terms loans from banks.

Quantitative Disclosures # **Amount (Rs. In crores)**

Particulars	March 31, 2018		March 31, 2017		March 31, 2016	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)						
For hedging	702.87	Nil	100.00	Nil	Nil	Nil
(ii) Marked to Market Positions(1)						
(a) Asset(+)	9.64	Nil	Nil	Nil	Nil	Nil
(b) Liability(-)	Nil	Nil	(1.22)	Nil	Nil	Nil
(iii) Credit Exposure(2)	Nil	Nil	Nil	Nil	Nil	Nil
(iv) Unhedged Exposures	Nil	Nil	Nil	Nil	Nil	Nil

(vi)(a) Details of Financial Assets sold to Securtisation/Reconstruction Company for Asset Reconstruction

Amount (Rs. In crores)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
(i) No. of accounts	Nil	Nil	Nil
(ii) Aggregate value (net of provisions) of accounts sold to SC/RC	Nil	Nil	Nil
(iii) Aggregate consideration	Nil	Nil	Nil
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil	Nil
(v) Aggregate gain/loss over net book value	Nil	Nil	Nil

Annexure V

Note - 33 (continued)

Disclosures in terms of Annex XII Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company; (continued)

(vi)(b) Disclosures relating to Securitisation #

Amount (Rs. In crores)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(1) Total amount of securitised assets	Nil	15.76	72.04
(2) Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet			
a) Off-balance sheet exposures			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil
b) On-balance sheet exposures			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil
(3) Amount of exposures to securitisation transactions other than MRR			
a) Off-balance sheet exposures			
i) Exposure to own securitisations			
* First loss	Nil	18.08	30.69
* loss			Nil
ii) Exposure to third party securitisations			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil
b) On-balance sheet exposures			
i) Exposure to own securitisations			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil
ii) Exposure to third party securitisations			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil

(vi)(c) Details of Assignment transactions undertaken by NBFCs

Amount (Rs. In crores)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2016
(i) No. of accounts	256.00	Nil	Nil
(ii) Aggregate value (net of provisions) of accounts sold	542.90	Nil	Nil
(iii) Aggregate consideration	488.61	Nil	Nil
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil	Nil
(v) Aggregate gain/loss over net book value	Nil	Nil	Nil

(vi)(d) Details of non-performing financial assets purchased/sold

A. Details of non-performing financial assets purchased:

Amount (Rs. In crores)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
1. (a) No. of accounts purchased during the year	Nil	Nil	Nil
(b) Aggregate outstanding	Nil	Nil	Nil
2. (a) Of these, number of accounts restructured during the year	Nil	Nil	Nil
(b) Aggregate outstanding	Nil	Nil	Nil

B. Details of non-performing financial assets sold:

Amount (Rs. In crores)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
1. No. of accounts sold	Nil	Nil	Nil
2. Aggregate outstanding	Nil	Nil	Nil
3. Aggregate consideration received	Nil	Nil	Nil

(vii) No penalties have been imposed on the Company by RBI and other regulators for the Financial Year ended March 31, 2018 (Previous year Nil).

Annexure V

Note - 33 (continued)

Disclosures in terms of Annex XII Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company; (continued)

(viii)The Company has been assigned the following credit ratings: #

Instrument	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Total Bank Loan Facilities Rated of Rs.2500 Crore (2016-17 Rs 2500 Crore, 2015-16 Rs 1500 Crore, 2014-15 Rs. 1500 Crore)	CRISIL AAA/Stable	CRISIL AA+/Stable(Reaffirmed)	CRISIL AA+/Stable(Reaffirmed)
Non Convertible Debentures of Rs.1450 Crore (2016-17 Rs 1450 Crore, 2015-16 Rs 450 Crore, 2014-15 Rs 450 Crore)	CRISIL AAA/Stable	CRISIL AA+/Stable(Reaffirmed)	CRISIL AA+/Stable(Reaffirmed)
Commercial Paper of Rs. 3000 Crore (2016-17 Rs 3000 Crore, 2015-16 Rs 1500 Crore, 2014-15 Rs 1500 Crore)	CRISIL A1+ (Reaffirmed)	CRISIL A1+ (Reaffirmed)	CRISIL A1+ (Reaffirmed)
Subordinate Debt Rs. 500 Crore (2016-17 Rs Nil, 2015-16 Rs Nil)	CRISIL AAA/Stable	NA	NA
Long Term Non Convertible Debentures of Rs. 2500 Crore (2016-17 Rs 1500 Crore, 2015-16 Rs 500 Crore)	CARE AAA ; Stable	CARE AA+(Double A Plus)	CARE AA+(Double A Plus)
Long-term bank facilities of Rs 6,000.00 Crore (2016-17 Rs 2,500.00 Crore, 2015-16 Rs. Nil and 2014-15 Rs. Nil)	CARE AAA ; Stable	CARE AA+(Double A Plus)	NA
Subordinate Debt Rs. 1200.00 Crore (2016-17 Rs Nil, 2015-16 Rs. Nil and 2014-15 Rs. Nil)	CARE AAA ; Stable	NA	NA
Commercial Paper of Rs. 4000.00 Crore (2016-17 Rs 4000.00 Crore, 2015-16 Rs. Nil, 2014-15 Rs. Nil)	ICRA A1+	ICRA A1+	NA
Bank Loan Facilities Rated of Rs.1500 Crore (2016-17 Rs 1500.00 Crore, 2015-16 Rs. Nil and 2014-15 Rs. Nil)	BWR AAA	BWR AAA	NA
Non Convertible Debentures of Rs. 1500 Crore (2016-17 Rs 1500.00 Crore, 2015-16 Rs. Nil and 2014-15 Rs. Nil)	BWR AAA	BWR AAA	NA
Subordinate Debt Rs. 500 Crore (2016-17 Rs Nil, 2015-16 Rs Nil and 2014-15 Rs. Nil)	BWR AAA	NA	NA

(ix) Capital to Risk Assets Ratio (CRAR) (Proforma)
CRAR (Proforma)(considering Nil risk weightage on Mutual fund investments):-

CRAR	As at March 31, 2018	As at March 31, 2017
Items		
i) Adjusted CRAR-(Total)- Proforma	19.00%	21.28%
ii) Adjusted CRAR - Tier I Capital (%) - Proforma	15.50%	21.28%
iii) Adjusted CRAR - Tier II Capital (%) - Proforma	3.50%	0.00%

(x) Additional Disclosures

(a) Provisions and Contingencies **Amount (Rs. In crores)**

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	March 31, 2018	March 31, 2017	March 31, 2016
Provisions for depreciation on Investment	Nil	Nil	Nil
Provision towards NPA	49.96	38.80	14.73
Provision made towards Income tax(including deferred tax and MAT Credit)	0.00	20.85	12.49
Provision for Standard Assets	0.00	6.63	-

(b) Concentration of Advances **Amount (Rs. In crores)**

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Total Advances to twenty largest borrowers	1,302.90	955.49	690.97
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	16.68%	27.17%	43.01%

Annexure V

Note - 33
Disclosures in terms of Annex XII Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company; (continued)

(c) Concentration of Exposures — **Amount (Rs. In crores)**

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Total Exposure to twenty largest borrowers / customers	1,325.56	983.51	690.97
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	16.58%	27.97%	43.01%

(d) Concentration of NPAs — **Amount (Rs. In crores)**

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Total Exposure to top four NPA accounts	42.55	58.85	21.84

(e) Sector-wise NPAs #

	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Sector	**Percentage of NPAs to Total Advances in that sector**		
Agriculture & allied activities	0.00%	0.00%	0.06%
MSME	0.00%	0.00%	0.00%
Corporate borrowers	1.99%	4.92%	54.07%
Services	0.00%	0.00%	0.00%
Unsecured personal loans	0.00%	0.00%	0.00%
Other personal loans	0.00%	0.00%	0.00%
Auto loans and Other Loans	0.15%	0.21%	45.87%

(f) Movement of NPAs — **Amount (Rs. In crores)**

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(i) Net NPAs to Net Advances (%)	0.42%	1.37%	1.89%
(ii) Movement of NPAs (Gross)			
a) Opening balance	63.54	38.74	30.53
b) Transferred from Indiabulls Finance Company Private Limited pursuant to Scheme of Arrangement (Refer Note	-	-	18.25
c) Additions during the year	37.89	63.54	12.75
d) Reductions during the year	51.94	38.74	22.79
e) Closing balance	49.49	63.54	38.74
(iii) Movement of Net NPAs			
a) Opening balance	47.88	30.24	20.09
b) Transferred from Indiabulls Finance Company Private Limited pursuant to Scheme of Arrangement (Refer Note	-	-	16.43
c) Additions during the year	-	24.74	-
d) Reductions during the year	14.93	7.10	6.27
e) Closing balance	32.95	47.88	30.24
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)			
a) Opening balance	15.66	8.50	10.44
b) Transferred from Indiabulls Finance Company Private Limited pursuant to Scheme of Arrangement (Refer Note	-	-	1.83
c) Additions during the year	49.96	38.80	14.73
d) Reductions during the year	49.08	31.64	18.50
e) Closing balance	16.55	15.66	8.50

Annexure V

Note - 33

Disclosures in terms of Annex XII Systemically Important Non-Banking financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 updated as on February 23, 2018, to the extent applicable to the Company; (continued)

(xi) Overseas Assets

Amount (Rs. In crores)

Name of Joint Venture/Subsidiary	Other Partner in the JV	Country	Total Assets		
			As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
Indiabulls Asset Management Mauritius-Wholly Owned Subsidiary	N.A.	Mauritius	0.85	0.20	-

(xii) Disclosure of Complaints -Customer Complaints

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
(a) No. of complaints pending at the beginning of the year	Nil	Nil	Nil
(b) No. of complaints received during the year	4	Nil	Nil
(c) No. of complaints redressed during the year	4	Nil	Nil
(d) No. of complaints pending at the end of the year	Nil	Nil	Nil

Note: In computing the above information and disclosures, certain estimates, assumptions and adjustments have been made by the Management for its regulatory submissions which have been relied upon by the Auditors.

(xiii) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The Company has not exceeded the limits for SGL / GBL

Note - 34

Disclosure of Foreign Currency Exposures:-

Particulars	Foreign Currency	Year ended March 31, 2018			Year ended March 31, 2017		
		Exchange Rate	Amount in Foreign Currency	Amount (Rs. In crores)	Exchange Rate	Amount in Foreign Currency	Amount (Rs. In crores)
I. Assets							
Receivables (trade & other)	NA	-	-	-	-	-	-
Other Monetary assets	NA	-	-	-	-	-	-
Total Receivables (A)	NA	-	-	-	-	-	-
Hedges by derivative contracts (B)	NA	-	-	-	-	-	-
Unhedged receivables (C=A-B)	NA	-	-	-	-	-	-
II. Liabilities							
Payables (trade & other)							
Borrowings (ECB and Others)	USD	65.0441	109,101,620	709.64	64.8386	15,278,839	99.07
Total Payables (D)	USD	65.0441	109,101,620	709.64	64.8386	15,278,839	99.07
Hedges by derivative contracts (E)	USD	65.0441	109,101,620	709.64	64.8386	15,278,839	99.07
Unhedged Payables F=D-E)	USD	65.0441	-	-	64.8386	-	-
III. Contingent Liabilities and Commitments							
Contingent Liabilities	NA	-	-	-	-	-	-
Commitments	NA	-	-	-	-	-	-
Total (G)	NA	-	-	-	-	-	-
Hedges by derivative contracts(H)	NA	-	-	-	-	-	-
Unhedged Payables (I=G-H)	NA	-	-	-	-	-	-
Total unhedged FC Exposures (J=C+F+I)	NA	-	-	-	-	-	-

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considered

For year ended March 31, 2016 the above disclosure was not applicable

Annexure V

Note - 35

In terms of RBI Directions, every Non Banking Financial Company ("NBFC") is required to make an general provision on standard assets at 0.40 percent (2016-17 0.35 percent, 2015-16 0.30 percent) of the outstanding standard assets as at the year end. Acc
Assets of Rs. 32.41 Crores as at March 31, 2018 (2016-17 Rs. 12.20 Crores, 2015-16 Rs. 5.57 Crores).

	As at March 31, 2018 Amount (Rs.In Crore)	As at March 31, 2017 Amount (Rs.In Crore)	As at March 31, 2016 Amount (Rs.In Crore)
Movement in contingent provisions against standard assets is as under :			
Opening Balance	12.20	5.57	3.56
Add: Transfer from Indiabulls Finance Company Private Limited pursuant to Scheme of Arrangement (Refer Note 1)	-	-	2.01
Add: Transfer from Statement of Profit and Loss	20.21	6.63	-
Closing Balance	**32.41**	**12.20**	**5.57**

Note - 36

There are no borrowing costs to be capitalised as at March 31, 2018 (March 31, 2017: Rs. Nil, March 31, 2016: Rs. Nil).

Note - 37

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2018, March 31, 2017 and March 31, 2016 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet and no provision is required to be made against the recoverability of these balances.

Note - 38

The Company has not made any payments to Mr. Ajit Kumar Mittal, Whole-time Director during the year ended March 31, 2018, March 31, 2017, March 31, 2016 during the currency of his tenure as Whole-time Director of the Company upto August 14, 2017. As no commission is payable to Directors, the computation of Net Profits in accordance with Section 197 (5) read with Section 198 of The Companies Act, 2013 has not been furnished.

Note - 39

In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues(March 31, 2017: Rs. Nil, March 31, 2016: Rs. Nil) required to be credited to the Investor Education and Protection Fund as on March 31, 2018.

Note - 40

The Company has entered into various agreements for the assignment/securitisation of loans with assignees, wherein it has assigned/securitised a part of its secured loan portfolio aggregating to Rs. 787.22 Crores (2016-17 Rs. 444.99 Crores, 2015-16 Rs. 540.13 Crores) upto March 31, 2018, being the principal value outstanding as on the date of the deals that are outstanding as on the Balance Sheet date. The outstanding receivables in respect of the aforesaid assigned/securitised loans was Rs. 450.83 Crores (2016-17 Rs. 47.56 Crores, 2015-16 Rs. 111.33 Crores) as at March 31, 2018 for which the Company has provided credit enhancement in the form of cash collateral of Rs. Nil (2016-17 Rs. 18.08 Crores, 2015-16 Rs. 30.69 Crores) by way of fixed deposits and in the form of exposures which have been retained by the Company in respect of the assigned/securitised loans in compliance with Minimum Retention Requirements as specified in the RBI Directions.

The Company assigned/securitised various loan portfolios to banks and/or other institutions which are derecognised in the books of accounts of the Company in terms of accounting policy mentioned in Significant Accounting policies in Note 2 (vii) above and residual income on these Loans is being recognised over the life of the underlying loans and not on an upfront basis.

Note - 41

In terms of Circular no. RBI/2014-15/458, DNBR(PD).CC.No 019/03.10.01/2014-15 dated February 06, 2015, every NBFC is required to become a member of all Credit information Companies. As of the date of these financial statements, the Company has obtained the membership of Equifax Information Services Private Limited and CRIF High Mark Credit Information Services Private Limited, Experian Credit Information Company of India Private Limited and Credit Information Bureau (India) Limited.

Note - 42

The Company has complied with the Reserve Bank of India (“RBI”) Directions in respect of RBI Directions, 2016.

Annexure V

Note - 43
Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosures.

As per our report of even date

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

For and on behalf of the Board of Directors
of Indiabulls Commercial Credit Limited

Rahul Mukhi
Partner
Membership No. 099719

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

New Delhi, March 31, 2021

March 31, 2021

Indiabulls Commercial Credit Limited
Annexure - VI
Statement of Accounting Ratios

Particulars	Refer	Fiscal year ended 31 March		
		2018	2017	2016
		(I)	(II)	(III)
Earnings Per Share : (In Rs.)				
Basic		54.70	13.15	11.28
Diluted		37.11	8.96	7.74
Return on Equity (In %)	Note 1	25.22%	7.76%	9.53%
Book Value Per Equity Share (In Rs.)	Note 2	206.50	175.69	163.23
Debt/Equity Ratio (In Times)	Note 3	5.19	3.31	1.43

Notes:

Particulars	Refer	Fiscal year ended 31 March		
		2018	2017	2016
		(I)	(II)	(III)
Note 1) Return on Equity (In %)				
Profit for the Year (after tax) (Rs. in crores)	(A)	254.90	58.55	50.55
Less: Preference dividend for the year (Rs. in crores)		2.25	2.25	2.25
Profit for the Year (after tax and Preference Dividend) (Rs. in crores)		252.65	56.30	48.30
Net Worth				
Equity Share Capital (a) (Rs. in crores)		60.57	42.83	42.83
Reserve and surplus (b) (Rs. in crores)		1,200.25	717.27	661.31
Less: Deferred tax assets (net) (c) (Rs. in crores)		(10.04)	(7.60)	(5.02)
Net Worth at the end of the year (a+b-c) (Rs. in crores)	**(B)**	**1,250.78**	**752.50**	**699.12**
Net Worth in the beginning of the year (Rs. in crores)	(C)	752.50	699.12	314.75
Average Net Worth (Yearly) ((B+C)/2) (Rs. in crores)	(D)	1,001.64	725.81	506.94
Return on Equity (In %)	**(A/D)**	**25.22%**	**7.76%**	**9.53%**
Note 2) Book Value Per Equity Share (In Rs.)				
Number of Equity Shares outstanding at the end of year (In crores)	(E)	6.06	4.28	4.28
Net Worth at the end of the year	**(F)**	**1,250.78**	**752.50**	**699.12**
Book Value Per Equity Share (In Rs.) (F/E)	**(G)**	**206.50**	**175.69**	**163.23**
Note 3) Debt/Equity Ratio (In Times)				
Long-term borrowings (Rs. in crores)	(H)	3,826.57	1,127.10	487.80
Short-term borrowings (Rs. in crores)	(I)	2,610.94	1,460.43	658.77
Current maturities of long term debt (Rs. in crores)	(J)	500.43	211.97	88.89
Debt (H + I + J) (Rs. in crores)	(K)	**6,937.94**	**2,799.50**	**1,235.46**
Less: Cash and cash equivalents as restated as per Cash Flow Statement (Rs. in crores)	(L)	(440.78)	(311.83)	(234.80)
Total Debt (K - L) (Rs. in crores)	(M)	**6,497.16**	**2,487.67**	**1,000.66**
Debt/Equity Ratio (In Times)	**(M/F)**	**5.19**	**3.31**	**1.43**

Note :
(a) During Fiscal Year 2016, pursuant to a scheme of arrangement under the Companies Act, 1956, Indiabulls Finance Company Private Limited ("IFCPL") merged with Indiabulls Commercial Credit Limited ("ICCL").
(b) Equity includes equity share capital and reserves and surplus less deferred tax assets (net).

For and on behalf of the Board of Directors
of Indiabulls Commercial Credit Limited

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

March 31, 2021

Indiabulls Commercial Credit Limited
Annexure - VII
Statement of Dividend

Particulars	Year ended March 31, 2018	Year ended March 31, 2017	Year ended March 31, 2016
Equity Share Capital (Rs. in crores)	60.57	42.83	42.83
No. of equity shares (crores)	6.06	4.28	4.28
Face value per equity share (Rs.)	10.00	10.00	10.00
Dividend %	-	-	-
Dividend per share (Rs.)	-	-	-
Preference Share Capital (Rs. in crores)	22.50	22.50	22.50
No. of preference shares (crores)	2.25	2.25	2.25
Face value per preference share (Rs.)	10.00	10.00	10.00
Dividend %	10%	10%	10%
Dividend per share (Rs.)	1.00	1.00	1.00

For and on behalf of the Board of Directors
of Indiabulls Commercial Credit Limited

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai

Priya Jain
Non Executive Director
DIN : 07257863
New Delhi

Ashish Kumar Jain
Chief Financial Officer
New Delhi

Ajit Kumar Singh
Company Secretary
New Delhi

March 31, 2021

Independent Auditor's Review Report
on Review of Standalone Unaudited Financial Information
To The Board of Directors of
Indiabulls Commercial Credit Limited
New Delhi

1. We have reviewed the accompanying Standalone Unaudited Financial Information of Indiabulls Commercial Credit Limited ("the Company") comprising of the Standalone Unaudited Statement of Assets and Liabilities as at December 31, 2020 and the Standalone Unaudited Statements of Profit and Loss and Cash Flows for the period from April 1, 2020 to December 31, 2020 ("the Statement"), prepared by the Company in connection with the proposed issue of Secured Redeemable Non-Convertible Debentures ('NCDs') amounting up to Rs. 1,000 crore ("the Issue"). This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410-'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit, conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We do not express an audit opinion.

3. We draw attention to Note 4 to the Statement, which describes the effects of uncertainties relating to the COVID – 19 pandemic outbreak on the Company's operations, that are dependent upon future developments, and the impact thereof on the Company's estimates of impairment of loans to customers outstanding as at December 31, 2020, and that such estimates may be affected by the severity and duration of the pandemic and the actual credit loss could be different than that estimated as of the date of this Statement. Our opinion is not modified in respect of this matter.

4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, contains any material misstatement.

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

Rahul Mukhi
Partner
Membership No. 099719
New Delhi, March 31, 2021
UDIN: 21099719AAAABQ1906

Indiabulls Commercial Credit Limited
(Formerly known as Indiabulls Infrastructure Credit Limited)
(CIN: U65923DL2006PLC150632)
Standalone Unaudited Financial Information
for the nine months ended December 31, 2020

(Rupees in Crores)

Standalone Unaudited Statement of Profit and Loss for the nine months ended December 31, 2020

	Particulars	Nine Months ended		Previous Accounting Year Ended
		31.12.20	31.12.19	31.03.20
		(Unaudited)	(Unaudited)	(Audited)
1	**Revenue from operations**			
	(i) Interest Income	1,249.05	1,586.89	2,013.72
	(ii) Dividend Income	-	46.22	46.22
	(iii) Fees and commission Income	5.58	32.85	41.74
	(iv) Net gain on fair value changes	-	19.43	80.53
	(v) Net gain on derecognition of financial instruments under amortised cost category	1.46	8.26	8.26
	Total Revenue from operations	**1,256.09**	**1,693.65**	**2,190.47**
2	Other Income	12.24	0.47	0.81
3	**Total Income (1+2)**	**1,268.33**	**1,694.12**	**2,191.28**
4	**Expenses**			
	Finance Costs	772.07	888.55	1,158.18
	Net loss on fair value changes	13.21	-	-
	Impairment on financial instruments	110.24	126.13	952.92
	Employee Benefits Expenses	14.46	21.50	27.62
	Depreciation and amortization	4.10	6.62	8.87
	Other expenses	11.38	13.50	16.44
	Total expenses	**925.46**	**1,056.30**	**2,164.03**
5	**Profit / (Loss) before tax (3-4)**	**342.87**	**637.82**	**27.25**

	Particulars	Nine Months ended		Previous Accounting Year Ended
		31.12.20	31.12.19	31.03.20
		(Unaudited)	(Unaudited)	(Audited)
6	**Tax expense**			
	Current tax expense	111.57	145.69	41.62
	Deferred Tax (Credit) / Charge	(46.67)	(17.38)	(34.18)
	Total Tax Expense	**64.90**	**128.31**	**7.44**
7	**Profit / (Loss) for the Period / Year (5-6)**	**277.97**	**509.51**	**19.81**
8	Other comprehensive income			
	Other comprehensive income / (loss) (net of tax)	0.34	(0.02)	(0.05)
9	Total comprehensive income /(loss) (after tax) (7+8)	278.31	509.49	19.76
10. Paid-up equity share capital		247.80	247.80	247.80
11. Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)				4,159.15
12. Earnings per share (EPS) *(EPS for the nine months are not annualised)* -Basic (Amount in Rs.) -Diluted (Amount in Rs.) -Face Value (Amount in Rs.)		 11.22 11.22 10.00	 20.56 20.56 10.00	 0.80 0.80 10.00
Earnings per Share (EPS) after extraordinary items *(EPS for the nine months are not annualised)* -Basic (Amount in Rs.) -Diluted (Amount in Rs.) -Face Value (Amount in Rs.)		 11.22 11.22 10.00	 20.56 20.56 10.00	 0.80 0.80 10.00

Notes :

1 The standalone unaudited financial information of Indiabulls Commercial Credit Limited ('ICCL', 'the Company') for the nine months period ended December 31, 2020 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on March 31, 2021. The standalone unaudited financial information has been subjected to a limited review by the Statutory Auditors of the Company.

2 This standalone unaudited financial information of the Company for the nine months period from April 01, 2020 to December 31, 2020 has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as prescribed under Section 133 of the Companies Act 2013 and other recognised accounting practices and policies, to the extent applicable.

3 The above standalone unaudited financial information for the nine months period from April 1, 2020 to December 31, 2020 has been prepared in connection with the proposed issue of Secured Redeemable Non-Convertible Debentures ('NCDs') amounting up to Rs. 1,000 crore ("the Issue") by the Company.

4 The outbreak of COVID–19 virus continues to spread across the globe including India, resulting into a significant decline and volatility in financial markets and a significant decrease in global and India's economic activities. The Government of India announced a strict 40-day nation-wide lockdown to contain the spread of the virus till May 3, 2020, which was further extended till June 08, 2020. This has led to significant disruptions and dislocations for individuals and businesses. The recent directions from Government allows for calibrated and gradual withdrawal of lockdown and partial resumption of selected economic activities. The extent to which the COVID 19 pandemic will impact the Company's business is dependent on several factors including, but not limited to, pace of easing of the lockdown restrictions.

In accordance with the Reserve Bank of India's guidelines relating to CoVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the Company has granted moratorium of three months on the payment of all instalments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers who have requested for the moratorium, as per its Board approved policy. The RBI via press release dated May 22, 2020 has permitted lending institutions to extend the moratorium by another three months, i.e., from June 1, 2020 to August 31, 2020. The Company has extended the EMI moratorium to its customers based on requests received from such customers, as per its Board approved policy. In accordance with the guidance from the ICAI and in management's view, the extension of the moratorium to the Company's borrowers by the Company pursuant to the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020 and RBI press release, by itself is not considered to result in a significant credit risk (SICR) of such borrowers.

The Company is mainly engaged in the business of financing by way of loans against property (LAP), mortgage backed SME loans, and certain other purposes in India. Operations of all these segments were impacted over the past few years and consequent to COVID 19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collaterals held by the Company. The Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segments. Further, the Company has also analysed its outstanding exposures viz a viz the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, the Company has recorded a provision for impairment due to expected credit loss (ECL), of Rs.363.77 crores in respect of its loans and advances as at December 31, 2020, to reflect, among other things, an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the unique nature and scale of the economic impact of this pandemic, the expected credit loss is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated. As a result of this pandemic, the credit performance and repayment behaviour of the customers' needs to be monitored closely. In the event the impact of pandemic is more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the financial assets, results of operations and the financial position of the Company.

The Company has considered the following key matters in determining its liquidity position for the next 12 months:

a. Schemes announced by the Government of India, which will directly benefit Non-Banking Financial Companies through guarantees from the Government of India. The Company has evaluated these schemes and is considering applications to seek fund under the schemes;

b. Current status / outcomes of discussions with the Company's lenders, seeking moratorium on the Company's debt service obligations to such lenders;

c. Status of its requests for additional funding, from existing lenders as well as others.

Based on the detailed assessment of the monthly cash inflows and outflows for next 12 months and the management has concluded that it will be able to meet its obligations.

5 Hon’ble Supreme Court, in a public interest litigation (Gajendra Sharma vs Union of India & Anr), vide an interim order dated September 3, 2020 (‘interim order’) has directed that accounts classified which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Company has not classified any account as NPA, as per NHB / RBI norms, after August 31, 2020 which was not NPA as of August 31, 2020. Further, in light of the interim order, even accounts that would have otherwise been classified as NPA post August 31, 2020 have not been and will not be, classified as NPA till such time the Hon’ble Supreme Court rules finally on the matter. Such accounts have been classified as stage 3 and provisioned accordingly.

On March 23, 2021, the Hon'ble Supreme Court directed that the interim relief granted earlier to not declare the accounts of respective borrowers as non-performing assets stands vacated, ending the blanket ban on classification of non-performing assets (NPAs) and also ordered waiver of compound interest for all borrowers who availed the loan moratorium announced amid the Covid-19 pandemic.

6 The Code on Social Security, 2020 (‘Code’) relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

7

Standalone Unaudited Statement of Assets and Liabilities:	**(Rupees in Crores)**	
Particulars	**As at 31.12.20 (Unaudited)**	**As at 31.03.20 (Audited)**
ASSETS		
(1) Financial Assets		
(a) Cash and cash equivalents	363.69	2,000.27
(b) Bank Balances other than (a) above	33.17	52.36
(c) Loans	12,641.13	11,706.49
(d) Investments	958.75	1,590.43
(e) Other Financial assets	62.22	129.55
Sub-total - Financial Assets	**14,058.96**	**15,479.10**

Standalone Unaudited Statement of Assets and Liabilities (Continued):	(Rupees in Crores)	
Particulars	As at 31.12.20 (Unaudited)	As at 31.03.20 (Audited)
(2) Non-financial Assets		
(a) Current tax assets (net)	178.61	240.28
(b) Deferred tax assets (net)	74.94	28.37
(c) Non-current assets held for sale	365.29	580.52
(d) Property, plant and equipment	2.93	5.97
(e) Other Intangible assets	-	1.31
(f) Right of use assets	3.84	5.37
(g) Other non- financial assets	33.80	46.38
Sub-total - Non-financial Assets	**659.41**	**908.20**
Total Assets	**14,718.37**	**16,387.30**
LIABILITIES AND EQUITY		
LIABILITIES		
(1) Financial Liabilities		
(a) Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.04	0.01
(b) Debt Securities	2,190.66	2,440.38
(c) Borrowings (Other than Debt Securities)	5,850.67	6,088.82
(d) Subordinated Liabilities	349.21	348.86
(e) Other financial liabilities	1,501.04	3,067.27
Sub-total - Financial Liabilities	**9,891.62**	**11,945.34**

	Standalone Unaudited Statement of Assets and Liabilities (Continued):	(Rupees in Crores)	
	Particulars	**As at 31.12.20 (Unaudited)**	**As at 31.03.20 (Audited)**
	(2) Non-Financial Liabilities		
	(a) Current tax liabilities (Net)	68.11	3.52
	(b) Provisions	4.46	5.67
	(c) Other non-financial liabilities	67.05	25.82
	Sub-total - Non-Financial Liabilities	**139.62**	**35.01**
	(3) EQUITY		
	(a) Equity Share Capital	247.80	247.80
	(b) Other Equity	4,439.33	4,159.15
	Sub-total - Equity	**4,687.13**	**4,406.95**
	Total Liabilities and Equity	**14,718.37**	**16,387.30**
8	**Standalone Unaudited Cash Flow Statement**	**(Rupees in Crores)**	
		For the Period from April 1, 2020 to December 31, 2020	**For the Period from April 1, 2019 to December 31, 2019**
A	**Cash flow from operating activities :**		
	Profit before tax	342.87	637.82
	Adjustment for:		
	Provision for gratuity	0.44	0.66
	Provision for compensated absences	(0.37)	0.15
	Share based payments to employees	1.87	2.25
	Provision for diminution on value of investment	(0.21)	2.12
	Provision for impairment due to expected credit loss	169.77	68.49
	Bad debts written off	64.13	57.74

Standalone Unaudited Cash Flow Statement (Continued)	(Rupees in Crores)	
	For the Period from April 1, 2020 to December 31, 2020	For the Period from April 1, 2019 to December 31, 2019
Interest expenses	769.32	881.21
Interest income	(1,250.51)	(1,595.22)
Gain on modification of leases	(0.64)	-
Deemed cost of fair value of corporate guarantee	2.30	6.68
Balances no longer required, written back	(0.03)	-
Dividend income	-	(46.22)
(Profit) / loss on sale of fixed Assets	(0.58)	0.01
Unrealised gain on investments (net)	(0.98)	(4.49)
Realised gain on investments (net)	14.19	(14.94)
Depreciation and amortisation	4.10	6.62
Operating profit/ (loss) before working capital changes	**115.67**	**2.88**
Adjustment for changes in working capital:		
Other financial assets	16.41	9.75
Other non financial assets	8.87	(246.00)
Loans	(1,163.54)	2,169.09
Trade payables	0.03	0.01
Provisions for gratuity and compensated absences	(0.83)	(0.38)
Other financial liabilities	(1,546.92)	(1,000.90)
Other non financial liabilities	41.24	15.86
Net cash (used in) / generated from operations	**(2,529.07)**	**950.31**

	Standalone Unaudited Cash Flow Statement (Continued)	(Rupees in Crores)	
		For the Period from April 1, 2020 to December 31, 2020	**For the Period from April 1, 2019 to December 31, 2019**
	Interest received	1,231.83	1,538.67
	Interest paid	(788.12)	(822.45)
	Income tax paid (net)	14.68	(164.04)
	Net cash (used in)/ generated from operations	**(2,070.68)**	**1,502.49**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	2.00	(0.29)
	Movement in capital advances	-	0.17
	Movement in fixed deposits with banks	19.20	(11.82)
	Investment in equity shares of subsidiary company	0.21	(0.57)
	Dividend income	-	46.22
	Interest received	50.91	32.13
	Non-current assets held for sale	215.23	(86.04)
	Investments in mutual funds / other investments (net)	618.47	(1,089.08)
	Net cash generated from/ (used in) investing activities	**906.02**	**(1,109.28)**

	Standalone Unaudited Cash Flow Statement (Continued)	(Rupees in Crores)	
		For the Period from April 1, 2020 to December 31, 2020	**For the Period from April 1, 2019 to December 31, 2019**
C	**Cash flow from financing activities**		
	Distribution of preference dividend including CDT	-	(2.78)
	Proceeds from loan taken from holding company(net)	893.58	1,604.80
	Proceeds from issue of secured redeemable non-convertible debentures	(260.44)	215.00
	Proceeds from issue of subordinate debt	-	5.00
	(Repayment of) working capital loans(net)	18.73	(2,053.14)
	(Repayment of)/ Proceeds from bank loans and other borrowings (net)	(1,122.70)	(369.75)
	Payment of lease liabilities	(1.09)	(3.35)
	Net cash (used in) / generated from financing activities	**(471.92)**	**(604.22)**
D	**Net (decrease) / increase in cash and cash equivalents (A+B+C)**	**(1,636.58)**	**(211.01)**
E	**Cash and cash equivalents at the beginning of the year**	2,000.27	488.16
F	**Cash and cash equivalents at the close of the year (D + E)**	**363.69**	**277.15**

9 Figures for the prior year / period have been regrouped and / or reclassified wherever considered necessary.

Registered Office: M-62&63, First Floor, Connaught Place, New Delhi- 110 001.	For and on behalf of the Board of Directors
Place : Mumbai Date : March 31, 2021	Rajiv Gandhi Managing Director

Independent Auditor's Review Report on Half yearly results of Indiabulls Commercial Credit Limited pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To The Board of Directors of
Indiabulls Commercial Credit Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Indiabulls Commercial Credit Limited ("the Company") for the period from April 1, 2020 to September 30, 2020 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ("Listing Regulations"). This Statement, which is the responsibility of the Company's Management and has also been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410-'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit, conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We do not express an audit opinion.

3. We draw attention to Note 3 to the Statement, which describes the effects of uncertainties relating to the COVID – 19 pandemic outbreak on the Company's operations, that are dependent upon future developments, and the impact thereof on the Company's estimates of impairment of loans to customers outstanding as at September 30, 2020, and that such estimates may be affected by the severity and duration of the pandemic and the actual credit loss could be different than that estimated as of the date of these Un-audited financial results. Our opinion is not modified in respect of this matter.

4. Based on our review conducted as stated above in paragraph 2 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016827N

Rahul Mukhi
Partner
Membership No. 099719
New Delhi, November 11, 2020
UDIN: 20099719AAAADG9155

Indiabulls Commercial Credit Limited
(Formerly known as Indiabulls Infrastructure Credit Limited)
(CIN: U65923DL2006PLC150632)
Unaudited Standalone Financial Results
for the six months ended September 30, 2020

(Rupees in Crores)

Statement of Standalone Unaudited Results for the six months ended September 30, 2020

	Particulars	Six Months ended		Previous Accounting Year Ended
		30.09.20	30.09.19	31.03.20
		(Unaudited)	(Unaudited)	(Audited)
1	**Revenue from operations**			
	(i) Interest Income	874.38	1,175.04	2,013.72
	(ii) Dividend Income	-	-	46.22
	(iii) Fees and commission Income	2.81	25.07	41.74
	(iv) Net gain on fair value changes	-	15.60	80.53
	(v) Net gain on derecognition of financial instruments under amortised cost category	1.46	7.34	8.26
	Total Revenue from operations	**878.65**	**1,223.05**	**2,190.47**
2	Other Income	11.61	0.19	0.81
3	**Total Income (1+2)**	**890.26**	**1,223.24**	**2,191.28**
4	**Expenses**			
	Finance Costs	534.86	630.54	1,158.18
	Net loss on fair value changes	7.11	-	-
	Impairment on financial instruments	101.45	82.32	952.92
	Employee Benefits Expenses	7.00	14.38	27.62
	Depreciation and amortization	3.34	4.58	8.87
	Other expenses	4.95	6.65	16.44
	Total expenses	**658.71**	**738.47**	**2,164.03**
5	**Profit / (Loss) before tax (3-4)**	**231.55**	**484.77**	**27.25**

	Particulars	Six Months ended		Previous Accounting Year Ended
		30.09.20	30.09.19	31.03.20
		(Unaudited)	(Unaudited)	(Audited)
6	**Tax expense**			
	Current tax expense	74.61	111.90	41.62
	Deferred Tax (Credit) / Charge	(34.60)	(6.88)	(34.18)
	Total Tax Expense	**40.01**	**105.02**	**7.44**
7	**Profit / (Loss) for the Period / Year (5-6)**	**191.54**	**379.75**	**19.81**
8	Other comprehensive income			
	Other comprehensive income / (loss) (net of tax)	0.55	(0.02)	(0.05)
9	Total comprehensive income /(loss) (after tax) (7+8)	192.09	379.73	19.76
10. Paid-up equity share capital		247.80	247.80	247.80
11. Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year)				4,159.15
12. Analytical Ratios				
(i) Capital Adequacy Ratio (%)		34.56%	34.15%	32.44%
(ii) Earnings per share (EPS)				
(EPS for the six months are not annualised)				
-Basic (Amount in Rs.)		7.73	15.33	0.80
-Diluted (Amount in Rs.)		7.73	15.33	0.80
-Face Value (Amount in Rs.)		10.00	10.00	10.00
Earnings per Share (EPS) after extraordinary items				
(EPS for the six months are not annualised)				
-Basic (Amount in Rs.)		7.73	15.33	0.80
-Diluted (Amount in Rs.)		7.73	15.33	0.80
-Face Value (Amount in Rs.)		10.00	10.00	10.00

Particulars	Six Months ended		Previous Accounting Year Ended
	30.09.20	30.09.19	31.03.20
	(Unaudited)	(Unaudited)	(Audited)
13. NPA Ratios			
(a) Amount of Gross Non Performing Assets	741.51	299.37	347.37
(b) Amount of Net Non Performing Assets	597.16	227.14	270.72
(c) % of Gross Non Performing Assets	5.83%	2.33%	2.94%
(d) % of Net Non Performing Assets	4.69%	1.77%	2.29%
(e) Return on Assets	1.22%	2.33%	0.12%
14. Items exceeding 10% of Total Expenses			
Provision for impairment due to expected credit loss / Bad Debts Written Off (Net)	101.45	82.32	952.92

Notes to the Financial Results:

1 The standalone financial results of Indiabulls Commercial Credit Limited ('ICCL', 'the Company') for the six months ended September 30, 2020 have been reviewed by the Audit Committee and subsequently approved at the meeting of the Board of Directors held on November 11, 2020. The standalone financial results have been subjected to a limited review by the Statutory Auditors of the Company.

2 This unaudited financial results of the Company for the period from April 01, 2020 to September 30, 2020 has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) as prescribed under Section 133 of the Companies Act 2013 and other recognised accounting practices and policies, to the extent applicable.

3 The outbreak of CoVID–19 virus continues to cause significant disruptions and dislocations for individuals and businesses. While the lockdown has been lifted by the government in a phased manner and there is an increase in economic activity, the Company’s performance will depend on future developments, which are uncertain, including, among other things, any new information concerning the severity of the CoVID-19 pandemic and any action to contain its spread or mitigate its impact.

A. In accordance with RBI guidelines relating to CoVID-19 Regulatory Package dated March 27, 2020 and April 17, 2020, the Company had granted moratorium on the payment of instalments falling due between March 1, 2020 and May 31, 2020 to all eligible borrowers who have requested for the moratorium. The moratorium was further extended for instalment falling due between June 1, 2020 to August 31, 2020 in accordance with the RBI press release dated May 22, 2020 which permitted lending institutions to extend the moratorium. In accordance with the guidance from Institute of Chartered Accountant of India ("ICAI"), extension of the moratorium to borrowers by the Company pursuant to the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020 and RBI press conference, by itself is not considered to result in a SICR for a borrower.

The Company is mainly engaged in providing individual housing loans, loans against property (LAP) and project finance for real estate development. Operations of all these segments were impacted over the past few years and consequent to CoVID-19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collateral held by the Company. The Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segment. Further, for project finance loans, the Company has reviewed the project status, funding plans and analysis of the borrowers for large projects. Further, the Company has also analysed its outstanding exposures viz a viz the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, the Company has recorded expected credit loss provision to reflect, among other things, an increased risk of deterioration in macro-economic factors caused by CoVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the unique nature and scale of the economic impact of this pandemic, the expected credit loss including management overlay is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated. Further, as a result of this pandemic, the credit performance and repayment behaviour of the customers needs to be monitored closely. In the event the impact of pandemic is continues further for a prolonged period, this will have a corresponding impact on the carrying value of the financial assets, results of operation and the financial position of the Company.

B. The Management has considered various stimulus packages announced by the Government of India which will directly or indirectly benefit NBFCs and Company's lenders to extend moratorium and various other financial support from other banks and other agencies in determining the Company's liquidity position over the next 12 months. Based on the foregoing and necessary stress tests considering various scenarios, management believes that the Company will be able to pay its obligations as and when these become due in the foreseeable future.

4 Hon’ble Supreme Court, in a public interest litigation (Gajendra Sharma vs Union of India & Anr), vide an interim order dated September 3, 2020 (‘interim order’) has directed that accounts classified which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Company has not classified any account as NPA, as per regulatory norms, after August 31, 2020 which was not NPA as of August 31, 2020. Further, in light of the interim order, even accounts that would have otherwise been classified as NPA post August 31, 2020 have not been and will not be, classified as NPA till such time the Hon’ble Supreme Court rules finally on the matter. Such accounts have been classified as stage 3 and provisioned accordingly.

5 The Government of India, Ministry of Finance, vide its notification dated October 23, 2020, had announced CoVID-19 relief scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts (“the scheme”), as per the eligibility criteria and other aspects specified therein and irrespective whether RBI moratorium was availed or not. Based on the information available with the Company’s management, the Company has credited the ex-gratia amount in the eligible borrower’s statement of account as directed in the scheme.

6 The Code on Social Security 2020 has been notified in the Official Gazette on 29th Sep 2020, which could impact the contributions by the company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified, and the rules are yet to be framed. Impact if any of the change will be assessed and accounted in period of notification of the relevant provisions.

7 The Chief Operating Decision Maker ("CODM") reviews operations and allocates resources at the Company level. Therefore, the operations of the Company fall under its main business of financing by way of loans loans against property (LAP), mortgage backed SME loans, and certain other purposes in India, which is considered to be the only reportable segment in accordance with IND-AS 108 - Operating Segments. All other activities of the Company revolve around the main business.

8 **The Rating details from CARE Ratings is as under:-**

Public issue of Secured Redeemable Non-Convertible Debentures of Rs. 20.00 Billion (Reduced from Rs. 50.00 Billion)	CARE AA
Commercial Paper issue of Rs. 5.00 Billion (Reduced from Rs. 80.00 Billion)	CARE A1+
Long-term bank facilities of Rs. 80.00 Billion (Reduced from Rs. 150.0 Billion)	CARE AA
Non-Convertible Debentures of Rs. 10.00 Billion (Reduced from Rs. 20.00 Billion)	CARE AA
Subordinated debt of Rs. 5.00 Billion (Reduced from Rs. 12.00 Billion)	CARE AA

9	**The Rating details from CRISIL Ratings is as under:-**	
	Subordinate debt of Rs. 5.00 Billion	CRISIL AA
	Non- Convertible Debentures of Rs. 14.50 Billion	CRISIL AA
	NCDs (Public Issue of Retail Secured Redeemable Non-Convertible Debentures) of Rs 20.00 Billion	CRISIL AA
	NCDs (Public Issue of retail Unsecured Redeemable Non-Convertible Debentures) of Rs. 5.00 Billion	CRISIL AA
	Non-Convertible Debentures of Rs. 30.0 Billion	CRISIL AA
	Commercial Paper of Rs. 30 Billion	CRISIL A1+
	Total Bank Loan Facilities of Rs. 25.00 Billion	CRISIL AA
10	**The Rating details from Brickwork Ratings is as under:-**	
	Non-Convertible Debentures of Rs. 15.00 Billion	BWR AA+
	Bank Loan Facilities of Rs. 15.00 Billion	BWR AA+
	Commercial Paper issue of Rs. 5.00 Billion	BWR A1+
	Subordinated NCD of Rs. 7.50 Billion	BWR AA+
11	The Company has, in all material respects, utilised the proceeds of issue of non convertible debt securities as stated in the respective offer documents.	

12	Statement of Assets and Liabilities:	(Rupees in Crores)	
	Particulars	**As at 30.09.20 (Unaudited)**	**As at 31.03.20 (Audited)**
	ASSETS		
	(1) Financial Assets		
	Cash and cash equivalents	700.60	2,000.27
	Bank Balance other than (a) above	50.17	52.36
	Loans	12,564.21	11,706.49
	Investments	931.25	1,590.43
	Other Financial assets	78.28	129.55
	Sub-total - Financial Assets	**14,324.51**	**15,479.10**
	(2) Non-financial Assets		
	Current tax assets (net)	183.37	240.28
	Deferred tax assets (net)	62.80	28.37
	Non-current assets held for sale	270.32	580.52
	Property, plant and equipment	4.85	5.97
	Other Intangible assets	0.07	1.31
	Right of use assets	4.02	5.37
	Other non- financial assets	35.14	46.38
	Sub-total - Non-financial Assets	**560.57**	**908.20**
	Total Assets	**14,885.08**	**16,387.30**

Statement of Assets and Liabilities (Continued):	(Rupees in Crores)	
Particulars	**As at 30.09.20 (Unaudited)**	**As at 31.03.20 (Audited)**
LIABILITIES AND EQUITY		
LIABILITIES		
(1) Financial Liabilities		
Trade Payables		
(i) total outstanding dues of micro enterprises and small enterprises	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.81	0.01
Debt Securities	2,188.27	2,440.38
Borrowings (Other than Debt Securities)	6,378.82	6,088.82
Subordinated Liabilities	349.01	348.86
Other financial liabilities	1,264.97	3,067.27
Sub-total - Financial Liabilities	**10,181.88**	**11,945.34**
(2) Non-Financial Liabilities		
Current tax liabilities (Net)	61.26	3.52
Provisions	4.13	5.67
Other non-financial liabilities	39.90	25.82
Sub-total - Non-Financial Liabilities	**105.29**	**35.01**
(3) EQUITY		
Equity Share Capital	247.80	247.80
Other Equity	4,350.11	4,159.15
Sub-total - Equity	**4,597.91**	**4,406.95**
Total Liabilities and Equity	**14,885.08**	**16,387.30**

13	Cash Flow Statement	(Rupees in Crores)	
		For the Period from April 1, 2020 to September 30, 2020	**For the Period from April 1, 2019 to September 30, 2019**
A	**Cash flow from operating activities :**		
	Profit before tax	231.55	484.77
	Adjustment for:		
	Provision for gratuity	0.30	0.27
	Provision for compensated absences	(0.41)	0.07
	Share based payments to employees	(1.12)	1.56
	Provision for diminution on value of investment	(0.21)	-
	Provision for impairment due to expected credit loss	79.55	82.38
	Bad debts written off	63.30	-
	Interest expenses	532.25	526.86
	Interest income	(875.85)	(1,182.38)
	Gain on modification of leases	(0.62)	-
	Deemed cost of fair value of corporate guarantee	2.30	4.35
	Balances no longer required, written back	(0.02)	-
	Unrealised gain on investments (net)	(3.43)	(2.35)
	Realised gain on investments (net)	10.54	-
	Depreciation and amortisation	3.34	4.58
	Operating profit/ (loss) before working capital changes	**41.47**	**(79.89)**

	Cash Flow Statement (Continued)	(Rupees in Crores)	
		For the Period from April 1, 2020 to September 30, 2020	For the Period from April 1, 2019 to September 30, 2019
	Adjustment for changes in working capital:		
	Other financial assets	13.80	26.40
	Other non financial assets	6.62	(114.93)
	Loans	(992.10)	2,784.96
	Trade payables	0.80	(0.28)
	Provisions for gratuity and compensated absences	(0.70)	-
	Other financial liabilities	(1,697.21)	(1,523.53)
	Other non financial liabilities	14.08	4.31
	Net cash generated from / (used in) operations	**(2,613.24)**	**1,097.04**
	Interest received	853.34	1,211.69
	Interest paid	(632.26)	(634.76)
	Income tax paid (net)	40.04	(108.50)
	Net cash generated from / (used in) operations	**(2,352.12)**	**1,565.47**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment	-	(0.28)
	Movement in capital advances	-	0.17
	Movement in fixed deposits with banks	2.20	1.36
	Investment in equity shares of subsidiary company	0.21	(0.57)
	Interest received	50.63	6.08
	Non-current assets held for sale	310.19	(53.04)
	Investments in mutual funds / other investments (net)	652.07	(1,087.47)
	Net cash (used in) investing activities	**1,015.30**	**(1,133.75)**

	Cash Flow Statement (Continued)	(Rupees in Crores)	
		For the Period from April 1, 2020 to September 30, 2020	For the Period from April 1, 2019 to September 30, 2019
C	**Cash flow from financing activities**		
	Distribution of preference dividend	-	(2.78)
	Proceeds from loan taken from holding company(net)	960.94	1,653.00
	Proceeds from issue of secured redeemable non-convertible debentures	(260.44)	271.80
	Proceeds from issue of subordinate debt	-	4.98
	(Repayment of) working capital loans(net)	18.76	(2,168.72)
	(Repayment of)/ Proceeds from bank loans and other borrowings (net)	(681.22)	(163.38)
	Payment of lease liabilities	(0.89)	-
	Net cash (used in) / generated from financing activities	**37.15**	**(405.10)**
D	**Net increase / (decrease) in cash and cash equivalents (A+B+C)**	**(1,299.67)**	**26.62**
E	**Cash and cash equivalents at the beginning of the year**	2,000.27	488.16
F	**Cash and cash equivalents at the close of the year (D + E)**	**700.60**	**514.78**

14 Figures for the prior year / period have been regrouped and / or reclassified wherever considered necessary.

Registered Office: M-62&63, First Floor, Connaught Place, New Delhi- 110 001.

For and on behalf of the Board of Directors

Place : Mumbai
Date : November 11, 2020

Ripudaman Bandral
Managing Director

Indiabulls Commercial Credit Limited
(Formerly known as Indiabulls Infrastructure Credit Limited)
(CIN: U65923DL2006PLC150632)

Unaudited Standalone Financial Results for the six months ended September 30, 2020

Additional Information in Compliance with Chapter V (Obligations of Listed Entity Which has Listed its Non-Convertible Debt Securities) of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015

(a) **Details of Credit Rating**

(1) **The Rating details from CARE Ratings is as under:-**

Public issue of Secured Redeemable Non-Convertible Debentures of Rs. 20.00 Billion (Reduced from Rs. 50.00 Billion)	CARE AA
Commercial Paper issue of Rs. 5.00 Billion (Reduced from Rs. 80.00 Billion)	CARE A1+
Long-term bank facilities of Rs. 80.00 Billion (Reduced from Rs. 150.0 Billion)	CARE AA
Non-Convertible Debentures of Rs. 10.00 Billion (Reduced from Rs. 20.00 Billion)	CARE AA
Subordinated debt of Rs. 5.00 Billion (Reduced from Rs. 12.00 Billion)	CARE AA

(2) **The Rating details from CRISIL Ratings is as under:-**

Subordinate debt of Rs. 5.00 Billion	CRISIL AA
Non- Convertible Debentures of Rs. 14.50 Billion	CRISIL AA
NCDs (Public Issue of Retail Secured Redeemable Non-Convertible Debentures) of Rs 20.00 Billion	CRISIL AA
NCDs (Public Issue of retail Unsecured Redeemable Non-Convertible Debentures) of Rs. 5.00 Billion	CRISIL AA
Non-Convertible Debentures of Rs. 30.0 Billion	CRISIL AA
Commercial Paper of Rs. 30 Billion	CRISIL A1+
Total Bank Loan Facilities of Rs. 25.00 Billion	CRISIL AA

(3) **The Rating details from Brickwork Ratings is as under:-**

Non-Convertible Debentures of Rs. 15.00 Billion	BWR AA+
Bank Loan Facilities of Rs. 15.00 Billion	BWR AA+
Commercial Paper issue of Rs. 5.00 Billion	BWR A1+
Subordinated NCD of Rs. 7.50 Billion	BWR AA+

(b)	**Asset Cover available** The listed Non-Convertible Debentures of the Company aggregating Rs. 2,188.27 Crores as on 30th September 2020 are secured by way of paripassu charge on the Company's current assets (both present and future), current and future loans assets (including monies receivable thereunder) and certain properties. The asset cover thereof exceeds the required cover to be maintained for the said debentures.	
	Particulars	**As on September 30, 2020**
(c)	Debt Equity Ratio (Loan Funds / Own Funds)	1.94
(d)	Previous due dates for the payment of interest / repayment of principal of Non Convertible Debentures	Details as per Annexure 1
(e)	Next due date for the payment of interest/ dividend of Non-Convertible Preference Shares /Principal along with the amount of interest/ dividend of Non-Convertible Preference Shares payable and the redemption amount	N.A.
(f)	Debt Service Coverage Ratio [(Earnings before Interest and Tax for the period/year) + (Principal collected from Customers during the period/year)] / [(Interest Expense for the period/year) + (Principal repaid of the borrowings during the period/year)]	3.90
(g)	Interest Service Coverage Ratio (Earnings before Interest and Tax / Interest Expense)	1.43
(h)	Outstanding Redeemable Preference Shares (quantity and value)	N.A.
(i) 1	Capital Redemption Reserve (Rs. in Crores)	4.00
(i) 2	Debenture Redemption Reserve (Rs. in Crores)	247.05
(j)	Net worth (Rs. in Crores)	4,597.91
(k)	Net Profit after Tax (Rs. in Crores)	191.54
(l)	Earnings per Share (EPS) - Basic and Diluted (Amount in Rs.)	7.73

Annexure 1

Detail of Payment of Interest of Non Convertible Debentures from 1st April 2020 to 30th September 2020- Annexure -1 (a)

S.No.	ISIN No.	Date of issue	Date of Maturity	Principal Amount	Due Date of Interest	Payment Date of Interest
1	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Apr-20	24-Apr-20
2	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Apr-20	24-Apr-20
3	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Apr-20	24-Apr-20
4	INE244L08059	02-May-18	02-May-28	1,000,000,000	2-May-20	30-Apr-20
5	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-May-20	22-May-20
6	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-May-20	22-May-20
7	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-May-20	22-May-20
8	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Jun-20	25-Jun-20
9	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Jun-20	25-Jun-20
10	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Jun-20	25-Jun-20
11	INE244L07200	28-Jun-19	28-Jul-20	2,500,000,000	26-Jun-20	26-Jun-20
12	INE244L07044	29-Jun-18	29-Jun-21	1,650,000,000	29-Jun-20	29-Jun-20
13	INE244L07028	08-Jul-16	07-Jul-23	400,000,000	8-Jul-20	8-Jul-20
14	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Jul-20	24-Jul-20
15	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Jul-20	24-Jul-20
16	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Jul-20	24-Jul-20
17	INE244L07200	28-Jun-19	28-Jul-20	2,500,000,000	28-Jul-20	28-Jul-20
18	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	24-Aug-20	24-Aug-20
19	INE244L07150	25-Sep-18	25-Sep-28	600,000	24-Aug-20	24-Aug-20
20	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	24-Aug-20	24-Aug-20
21	INE244L07051	25-Sep-18	25-Sep-20	1,000,000	25-Sep-20	24-Sep-20
22	INE244L07069	25-Sep-18	25-Sep-20	87,251,000	25-Sep-20	24-Sep-20
23	INE244L07093	25-Sep-18	25-Sep-21	9,010,868,000	25-Sep-20	24-Sep-20
24	INE244L07101	25-Sep-18	25-Sep-21	9,473,199,000	25-Sep-20	24-Sep-20
25	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Sep-20	24-Sep-20
26	INE244L07135	25-Sep-18	25-Sep-23	9,100,000	25-Sep-20	24-Sep-20
27	INE244L07143	25-Sep-18	25-Sep-23	752,189,000	25-Sep-20	24-Sep-20
28	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Sep-20	24-Sep-20
29	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Sep-20	24-Sep-20

Detail of Payment of Interest of Non Convertible Debentures from 1st April 2020 to 30th September 2020- Annexure -1 (a) (Continued)						
S.No.	**ISIN No.**	**Date of issue**	**Date of Maturity**	**Principal Amount**	**Due Date of Interest**	**Payment Date of Interest**
30	INE244L07176	25-Sep-18	25-Sep-28	3,520,000	25-Sep-20	24-Sep-20
31	INE244L07184	25-Sep-18	25-Sep-28	139,567,000	25-Sep-20	24-Sep-20
			Total	**29,517,974,000**		

Detail of Repayment of Principal of Non Convertible Debentures from 1st April 2020 to 30th September 2020- Annexure -1 (b)						
S.No.	**ISIN No.**	**Date of Issue**	**Maturity Date**	**Principal Amount**	**Due Date**	**Payment Date of Principal**
1	INE244L07200	28-Jun-19	28-Jul-20	2,500,000,000	28-Jul-20	28-Jul-20
2	INE244L07051	25-Sep-18	25-Sep-20	1,000,000	25-Sep-20	24-Sep-20
3	INE244L07069	25-Sep-18	25-Sep-20	87,251,000	25-Sep-20	24-Sep-20
			Total	**2,588,251,000**		

Details of Due date of Repayment of Principal of Non Convertible Debentures from 1st October 2020 to 31st March 2021- Annexure -1 (C)						
S.No.	**ISIN No.**	**Date of issue**	**Date of Maturity**	**Principal Amount**	**Due Date**	**Payment Date of Principal**
Nil						

Details of Due date of Payment of Interest on Non Convertible Debentures from 1st October 2020 to 31st March 2021- Annexure -1 (d)

S.No.	ISIN No.	Date of issue	Date of Maturity	Principal Amount	Due Date of Interest
1	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Oct-20
2	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Oct-20
3	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Oct-20
4	INE244L08018	08-Nov-17	08-Nov-27	600,000,000	8-Nov-20
5	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Nov-20
6	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Nov-20
7	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Nov-20
8	INE244L08026	30-Nov-17	30-Nov-27	400,000,000	30-Nov-20
9	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Dec-20
10	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Dec-20
11	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Dec-20
12	INE244L08034	05-Jan-18	05-Jan-28	500,000,000	5-Jan-21
13	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Jan-21
14	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Jan-21
15	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Jan-21
16	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Feb-21
17	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Feb-21
18	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Feb-21
19	INE244L07127	25-Sep-18	25-Sep-23	207,305,000	25-Mar-21
20	INE244L07150	25-Sep-18	25-Sep-28	600,000	25-Mar-21
21	INE244L07168	25-Sep-18	25-Sep-28	123,975,000	25-Mar-21
22	INE244L08042	28-Mar-18	28-Mar-28	1,050,000,000	29-Mar-21
			Total	**4,541,280,000**	

MATERIAL DEVELOPMENTS

There have been no material developments since December 31, 2020 and there have arisen no circumstances that materially or adversely affect the operations, or financial condition or profitability or credit quality of the Company or the value of its assets or its ability to pay its liabilities with the next 12 months except as stated in the section "*Financial Information*" on page 149 of this Draft Shelf Prospectus.

There has been no material increase in indebtedness incurred by our company and no equity shares have been allotted by our company since December 31, 2020.

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND INDAS

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

"Summary of Significant Differences among Indian GAAP and Ind AS", does not present all differences between Indian GAAP and Ind AS which are relevant to the Issuer.

Consequently, there can be no assurance that those are the only differences in the accounting principles that could have a significant impact on the financial information included in this Draft Shelf Prospectus.
Furthermore, the Issuer has made no attempt to identify or quantify the impact of these differences or any future differences between Indian GAAP and Ind AS which may result from prospective changes in accounting standards.

The Issuer has not considered matters of Indian GAAP presentation and disclosures, which also differ from Ind AS. In making an investment decision, investors must rely upon their own examination of the Issuer's business, the terms of the offerings and the financial information included in this Draft Shelf Prospectus.
Potential investors should consult with their own professional advisors for a more thorough understanding of the differences between Indian GAAP and Ind AS and how those differences might affect the financial information included in this Draft Shelf Prospectus.
The Issuer cannot assure that it has completed a comprehensive analysis of the effect of Ind AS on future financial information or that the application of Ind AS will not result in a materially adverse effect on the Issuer's future financial information.

Particulars	Indian GAAP	Ind AS
Presentation of Financial Statements	**Other Comprehensive Income:** There is no concept of 'Other Comprehensive Income' under Indian GAAP.	**Other Comprehensive Income:** Under Ind AS 1 there is a concept of Other Comprehensive Income ("OCI"). Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in profit or loss as required or permitted by other Ind AS. Such recognition of income and expenses in OCI is primarily governed by the income recognition norms and classification of financial instruments and assets as "Fair Value through OCI".
	Extraordinary items: Under Indian GAAP, extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	**Extraordinary items:** Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited.
	Change in Accounting Policies: Indian GAAP requires changes in accounting policies to be presented in the financial statements on a prospective basis (unless transitional provisions, if any, of an	**Change in Accounting Policies:** Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior

Particulars	Indian GAAP	Ind AS
	accounting standard require otherwise) together with a disclosure of the impact of the same, if material. If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed.	period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.
Deferred Taxes	Under Indian GAAP, the Company determines deferred tax to be recognised in the financial statements with reference to the income statement approach i.e., with reference to the timing differences between profit offered for income taxes and profit as per the financial statements.	As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/ liabilities and their respective tax base. Using the balance sheet approach, there could be additional deferred tax charge/income on account of all Ind AS opening balance sheet adjustments.
Property, plant and equipment – reviewing depreciation and residual value	Under Indian GAAP, the Company currently provides depreciation over the useful lives of the assets estimated by the Management.	Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively. Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost under Ind AS.
Accounting for Employee benefits	Currently, under Indian GAAP the Company recognises all short term and long term employee benefits in the profit and loss account as the services are received. For long term employee benefit, the Company uses actuarial valuation to determine the liability.	Under Ind AS 19, the change in liability is split into changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and remeasurements. Changes due to service cost and net interest cost/ income need to be recognised in the income statement and the changes arising out of re-measurements comprising of actuarial gains and losses representing changes in the present value of the defined benefit obligation resulting from experience adjustment and effects of changes in actuarial assumptions are to be recognised directly in OCI and not reclassified to profit and loss in the subsequent period.
Separate Financial Statements	Accounting for investments in subsidiaries is governed by Accounting Standard 13 depending on the classification of the investment as current or long term	Accounting for investments in subsidiaries is governed by Ind AS 27 which gives an option to account the same at cost or in accordance with Ind AS 109
Provisions, contingent liabilities and contingent assets	Under Indian GAAP, provisions are recognised only under a legal obligation. Also, discounting of provisions to present value is not permitted	Under Ind AS, provisions are recognised for legal as well as constructive obligations. Ind AS requires discounting the provisions to present value, if the effect of time value of money is material.
Share based payments	Under Indian GAAP, company has an option to account for share based payments on the basis of intrinsic value or fair value. The company followed the intrinsic value method and gave a proforma disclosure for the fair	Under Ind AS, the share based payments have to be mandatorily accounted basis the fair value and the same has to be recorded in the Statement of Profit and Loss over the vesting period. The fair valuation of the

Particulars	Indian GAAP	Ind AS
	valuation. The intrinsic value for the company was nil.	unvested options as on the transition date have to be adjusted against retained earnings.
Presentation and classification of Financial Instruments and subsequent measurement	Currently, under Indian GAAP, the financial assets and financial liabilities are recognised at the transaction value. The Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any diminution other than temporary in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value. Financial liabilities are carried at their transaction values. Disclosures under Indian GAAP are limited. Currently under Indian GAAP, loan processing fees and/or fees of similar nature are recognised upfront in the Statement of Profit and Loss.	Ind AS 109 requires all financial assets and financial liabilities to be recognised on initial recognition at fair value. Financial assets have to be either classified as measured at amortised cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognised entirely in profit or loss, (FVTPL), or recognised in other comprehensive income (FVOCI). Financial assets include equity and debts investments, interest free deposits, loans, trade receivables etc. Assets classified at amortised cost and FVOCI and the related revenue (including processing fees and fees of similar nature) net of related costs have to be measured using the Effective Interest Rate (EIR) method. Loan processing fees and/or fees of similar nature would be measured and recognised using the Effective Interest Rate (EIR) method over the period of loan. There are two measurement categories for financial liabilities – FVTPL and amortised cost. Fair value adjustment on transition shall be adjusted against opening retained earnings on the date of transition. Disclosures under Ind AS are extensive.
Financial Instruments - Impairment	Under Indian GAAP, the Company assesses the provision for doubtful debts at each reporting period, which in practice, is based on relevant information like past experience, financial position of the debtor, cash flows of the debtor, guidelines issued by the regulator etc.	The impairment model in Ind AS is based on expected credit losses and it applies equally to debt instruments measured at amortised cost or FVOCI, financing receivables, lease receivables, trade receivables and certain written loan commitments and financial guarantee contracts.
Financial Instruments - Disclosure	Currently there are no detailed disclosure requirements for financial instruments. However, the ICAI has issued an Announcement in December 2005 requiring the following disclosures to be made in respect of derivative instruments in the financial statements: • Category-wise quantitative data about derivative instruments that are outstanding at the balance sheet date; • The purpose, viz., hedging or speculation, for which such derivative instruments have been acquired; and The foreign currency exposures that are not hedged by a derivative instrument or otherwise.	Requires disclosure of information about the nature and extent of risks arising from financial instruments: • qualitative disclosures about exposures to each type of risk and how those risks are managed; and • quantitative disclosures about exposures to each type of risk, separately for credit risk, liquidity risk and market risk (including sensitivity analysis).
Segment Reporting	Under Indian GAAP there is a requirement to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's system of internal financial reporting to key management	Operating segments are identified based on the financial information that is regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance.

Particulars	Indian GAAP	Ind AS
	personnel serving only as the starting point for the identification of such segments.	
Consolidated Financial Statements	Under Indian GAAP the consolidation is driven by the reporting entity's control over its investees namely subsidiaries, associates and joint ventures. Control is: (a) the ownership, directly or indirectly through subsidiary(ies), of more than one-half of the voting power of an entity; or (b) control of the composition of the board of directors in the case of a company or of the composition of the corresponding governing body in case of any other entity so as to obtain economic benefits from its activities. Therefore, a mere ownership of more than 50% of equity shares is sufficient to constitute control under Indian GAAP, whereas this is not necessarily so under Ind AS.	Control is based on whether an investor has: (a) power over the investee; (b) exposure, or rights, to variable return from its involvement with the investee; and (c) the ability to use its power over the investee to affect the amounts of the returns.
Consolidation - Exclusion of subsidiaries, associates and joint ventures	Excluded from consolidation, equity accounting or proportionate consolidation if the subsidiary/investment/interest was acquired with intent to dispose of in the near future (which, ordinarily means not more than 12 months, unless a longer period can be justified based on facts and circumstances of the case) or if it operates under severe long-term restrictions which significantly impair its ability to transfer funds to the parent/investor/venturer.	Consolidated financial statements include all subsidiaries and equity accounted associates and joint ventures. No exemption for "temporary control", "different lines of business" or "subsidiary / associate / joint venture that operates under severe long-term funds transfer restrictions".
Consolidation – Joint Ventures	Under Indian GAAP, Proportionate consolidation method is applied when the entity prepares consolidated financial statements.	The equity method, as described in Ind AS 28 is applied when the entity prepares consolidated financial statements.
Leases	Assets acquired on leases where a significant portion of risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rental are charged to statement of profit and loss on straight-line basis except where scheduled increase in rent compensate the lessor for expected inflationary costs.	The Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability. Subsequent to initial measurement, the lease liability is reduced for payments made and increased for interest. The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

FINANCIAL INDEBTEDNESS

Details of the outstanding borrowings of our Company as on December 31, 2020:

S. No.	Nature of Borrowing	Amount (₹ in crore)
1.	Secured Borrowings*	7,926.02
2.	Unsecured Borrowings*	355.00

**Represents actual outstanding balance of loans and does not include impact of adjustments to outstanding balances on account of Ind AS, if any.*

Set forth below, is a brief summary of the borrowings by our Company as at December 31, 2020 together with a brief description of certain significant terms of such financing arrangements.

Our Company's secured term loans from banks as on December 31, 2020 amount to ₹ 4,214.15 crores.

The details of the secured borrowings are set out below:

Secured Loan Facilities:

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crore)	Principal Amount outstanding (as on December 31, 2020)* (in ₹ crore)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
1.	Bank of Baroda (*erstwhile Dena Bank*)	Term Loan	300.00	200.00	September 30, 2022	3 equal annual instalments at the end of 3rd, 4th and 5th year after a moratorium period of 2 years.	Nil, after servicing of 30 days' notice failing which a penal interest at the rate of 2% shall be payable.	The Company shall pay additional interest at 2% p.a. over and above the applicable to interest rate, in case the Company defaults in paying the instalments/ repaying the loan amount with interest and other charges and/or the account becoming irregular without prejudice to other rights and remedies of the bank. The Company shall pay additional interest at the rate of 2% p.a. for the following deficiencies: • Default in repayment of loan instalments and/or servicing of interest.

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crore)	Principal Amount outstanding (as on December 31, 2020)* (in ₹ crore)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
								• Non-submission of Balance Sheet and Profit and Loss accounts within six months from the date of Balance Sheet. • Non-submission of information required for review of the account.
2.	Bank of Baroda (*erstwhile Vijaya Bank*)	Term Loan	100.00	66.00	September 28, 2022	Repayment of principal to be made in three equal annual instalments at end of 3rd, 4th year and 5th year after a moratorium period of 24 months from the date of first disbursement, i.e., September 27, 2017. Door to door tenure of 5 years.	The company is allowed to prepay the facility without any prepayment charges by serving a 30 days' notice period.	The Bank is at liberty to charge penal interest at 2% p.a. for any delayed/unpaid instalments without any notice for the same. Please note that a default means any non-payment of the due amount as per the schedule of repayment drawn and executed between the Company and the bank on the due date. The amount due but not paid on the due date constitutes the default and penal interest will be levied on the amount so defaulted from the due date till its complete payment.
3.	Bank of Baroda (*erstwhile Vijaya Bank*)	Term Loan	150.00	150.00	June 29, 2023	Repayment of principal to be made in two equated annual instalments at end of 4th year and 5th year after a moratorium period of 36 months from the date of first disbursement, i.e., June 28, 2018. Door to door tenure of 5 years.	-	The Bank is at liberty to charge penal interest at 2% p.a. for any delayed/unpaid instalments without any notice for the same. Please note that a default means any non-payment of the due amount as per the schedule of repayment drawn and executed between the Company and the bank on the due date. The amount due but not paid on the due date constitutes the default and penal interest will be levied on the amount so defaulted from the due date till its complete payment.
4.	Bank of Maharashtra	Term Loan	200.00	100.00	December 29, 2021	• Door to door tenure of 48 months, including moratorium period of 24 months.	Prepayment penalty at 1% on the amount prepaid. However, no prepayment penalty if the prepayment	In default of payment of any one/ two instalments of quarterly interest, the bank shall be entitled to demand payment of the entire amount then outstanding in respect

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crore)	Principal Amount outstanding (as on December 31, 2020)* (in ₹ crore)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
						• 100 crores at the end of 36th month from date of 1st disbursement, i.e. December 29, 2017. • 100 crores at the end of 48th month from date of 1st disbursement, i.e., December 29, 2017.	is done with 15 days' notice period.	of the said loan, as if the period for repayment has expired and shall also be entitled, on failure to pay the interest at the end of each quarter. to debit to the Company's loan account and capitalize the amount of such interest as if such amount was a fresh loan advanced by the bank to the Company and shall be entitled to charge like interest thereon, in addition to the charging penal interest at the rate of 2% p.a. from the date of default to the date of payment of such defaulted interest.
5.	Canara Bank (*erstwhile Syndicate Bank*)	Term Loan	500.00	288.46	March 06, 2027	Door to door 7 years with initial moratorium of 6 months. Repayable in 26 equal instalments post moratorium period of 6 months from draw down date.	-	Penal rate of 0.50% p.a. on outstanding liability shall be collected if the audited financial statement is not submitted within 7 months from the date of closure of financial year.
6.	Central Bank of India	Term Loan	250.00	166.67	August 31, 2022	Repayable in 3 equal yearly instalments at the end of 3rd, 4th and 5th year from date of first draw down, in 2nd quarter of FY 2020, FY 2021 and FY 2022, after a moratorium of 2 years.	Nil, if paid with prior written notice of 15 days.	Penal rate of interest of 2% shall be charged for any delay in repayment of interest or instalment. The bank reserves the right to recall the advance in case of any default of instalments. Additional interest of 1% if fresh rating not obtained within 3 months from expiration of external rating and for non-compliance of security perfection within 6 months.
7.	Indian Bank	Term Loan	500.00	333.33	December 15, 2022	Repayable in three equal annual instalments at the end of 36th, 48th and 60th months after a moratorium period of 24 months. Monthly interest will be	Prepayment charges to be levied as per bank's norms if the Company does not give 30 days prior notice.	2% per annum for the period of default in payment of any instalment of principal amount, interest thereon or other monies.

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crore)	Principal Amount outstanding (as on December 31, 2020)* (in ₹ crore)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
						serviced as and when debited.		
8.	Karnataka Bank	Term Loan	200.00	200.00	March 23, 2022	Repayable in two annual instalments of ₹100 crores each at the end of 48th month (4th year) and 60th month (5th year) after initial holiday period of 3 years.	Pre closure charges are waived as a special case.	• Company shall pay penal interest at the rate of 2% for delayed servicing of interest/ excess drawings/ adhoc limits/ temporary overdraft. • Company shall submit annual financial statement of the Company every year by the end of 31st December of that year failing which penal interest of 1% p.a. over and above sanctioned rate will be charged on the outstanding balance after the said date.
9.	NABARD	Revolving Loan Facility	500.00	200.00	January 31, 2024	Repayable in 6 half yearly instalments of ₹ 75 crores each commencing from January 31, 2019 and thereafter in 5 half yearly instalments of ₹ 10 crores each.	Prepayment of instalment to done by giving 3 days prior notice and the same will attract prepayment charges as per the prevailing rate on the date of prepayment.	NoC from existing lenders for creating charge has to be submitted within 90 days of release of refinance, failing which penal interest of 1% will be levied thereafter.
10.	NABARD	Revolving Loan Facility	783.00	430.65	January 31, 2024	Repayable in 6 half yearly instalments of ₹ 117,45,00,000 each commencing from July 31, 2009 and thereafter in 4 half yearly instalments of ₹ 19,57,50,000 each	Prepayment of instalment to done by giving 3 days prior notice and the same will attract prepayment charges as per the prevailing rate on the date of prepayment.	NoC from existing lenders for creating charge has to be submitted within 90 days of release of refinance, failing which penal interest of 1% will be levied thereafter.

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crore)	Principal Amount outstanding (as on December 31, 2020)* (in ₹ crore)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
11.	NABARD	Revolving Loan Facility	732.00	402.60	July 31, 2024	Repayable in 6 half yearly instalments of ₹ 109,80,00,000 each commencing from July 31, 2009 and thereafter in 5 half yearly instalments of ₹ 14,64,00,000 crore each.	Prepayment of instalment to done by giving 3 days prior notice and the same will attract prepayment charges as per the prevailing rate on the date of prepayment.	NoC from existing lenders for creating charge has to be submitted within 90 days of release of refinance, failing which penal interest of 1% will be levied thereafter.
12.	NABARD	Revolving Loan Facility	300.00	165.00	July 31, 2024	Repayable in 6 half yearly instalments of ₹ 45,00,00,000 each commencing from July 31, 2019 and thereafter in 5 half yearly instalments of ₹ 6,00,00,000 each at the end of 5th year	Prepayment of instalment to done by giving 3 days prior notice and the same will attract prepayment charges as per the prevailing rate on the date of prepayment	NoC from existing lenders for creating charge has to be submitted within 90 days of release of refinance, failing which penal interest of 1% will be levied thereafter.
13.	Punjab and Sind Bank	Term Loan	130.00	130.00	December 3, 2022	Two equated annual instalments at the end of 4th year and 5th year after a moratorium period of 36 months	Company is allowed waiver in prepayment charges if prepayment is made with prior written notice of 30 days.	-
14.	Punjab and Sind Bank	Term Loan	500.00	500.00	September 27, 2022	Two equated annual instalments at the end of 4th year and 5th year after a moratorium period of 36 months	Company is allowed waiver in prepayment charges if prepayment is made with prior written notice of 30 days.	Non submission of required financial papers for review/renewal of limit in cases where negotiated rate is being charged, the interest rate will be raised by +0.50% or by increase of spread which comes on account of downgrading of credit rating, whichever is higher.
15.	Punjab National Bank (*erstwhile Oriental Bank of Commerce*)	Term Loan	100.00	66.67	March 22, 2022	Three equal instalments of ₹ 33.33 crores each at the end of 3rd and 4th year and ₹ 33.34 crores at the end of the 5th year.	As per bank's schedule. However, there shall be no prepayment penalty if the same is paid out of own sources.	Penal interest at the rate of 2% over and above the normal rate of interest with agreed rests under the loan agreement, in case Company defaults in repayment of any of the instalments, in case of any violation of any norms, conditions and

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crore)	Principal Amount outstanding (as on December 31, 2020)* (in ₹ crore)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
								provisions and undertakings by the Company under the loan agreement.
16.	Punjab National Bank (*erstwhile United Bank of India*)	Term Loan	250.00	166.67	September 7, 2022	Repayable in three equated annual instalment at the end of 3rd, 4th and 5th year of ₹83.33 crores each after a moratorium period of 2years from the date of disbursement i.e., August 23, 2017.	Prepayment charges at the rate of 1% plus applicable service tax of the pre-paid amount. However, no prepayment penalty if the facility is pre-paid within 15 days of the reset rate of interest being communicated to the Company by the bank.	Penal charge shall be levied in case of following irregularities: • Default in repayment of loan instalments and / or servicing of interest; • Non-submission of balance sheet and P/L accounts within six months from the date of balance sheet; • Non-submission of information required for review of the account; and • Non-compliance to any of the terms of sanction. • Bank may levy penal interest at the rate of 1% at monthly rest per default for the period of default subject to cumulative maximum of 3% p.a. at monthly rest over and above the normal rate.
17.	RBL Bank	Term Loan	100.00	23.10	September 29, 21	Repayable in 13 equal quarterly instalments with first instalment due at the end of 3 months from the date of first disbursement, i.e., June 26, 2018.	Prepayment part or full can be made without any charges by giving a prior written notice of 30 calendar days to the bank. However, if the mandatory prior written notice of 30 calendar days is not given to the bank before making the prepayment,	The Company shall pay penal interest at 2% above the applicable rate for • Non submission of stock statement/valid insurance; • Non submission of stock financials and other data as may be called for; • Non perfection of security within permitted timelines • Other non-compliances, if any; and

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crore)	Principal Amount outstanding (as on December 31, 2020)* (in ₹ crore)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
							prepayment charges at the rate of 2% of the prepayment amount shall be applied to such prepayment.	• Irregularity/ overdrawings in the account.
18.	RBL Bank	Term Loan	125.00	62.50	September 30, 2021	Repayable in 18 monthly instalments	Company is allowed waiver in prepayment charges if prepayment is made with prior written notice of 30 days.	Nil
19.	SIDBI	Term Loan	750.00	287.50	June 10, 2023	Repayable in 20 quarterly instalments of ₹37.50 crore each, commencing from the 10th day of the month immediately after the expiry of 6 months from the date of first disbursement, i.e., February 13, 2018, out of the loan sanctioned by SIDBI.	The Company shall not prepay the outstanding principal amount of loan in full or in part thereof before the due dates except after obtaining prior approval of SIDBI in writing which may be granted subject to such conditions as SIDBI may deem fit including levy of interest (currently 1-3%) on such prepayment. However, at the time of reset of spread, the Company can within 2 working days from the date of intimation of new interest rate (excluding the date of intimation) serve a notice of 30 days and prepay the loan without any pre-payment penalty/ charges.	A charge of 2% p.a. over and above the applicable rate, by way of penal interest, will be levied for defaults in payment of principal, interest and other monies payable under the loan agreement. Arrears of penal interest shall carry interest at the rate applicable for the loan.

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crore)	Principal Amount outstanding (as on December 31, 2020)* (in ₹ crore)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
20.	SIDBI	Term Loan	150.00	75.00	April 10, 2021	Repayable in equal instalments post moratorium period of 2 months from the date of disbursement. .	Nil, if paid after obtaining written approval of SIBDI.	A charge of 2% p.a. over and above the applicable rate, by way of penal interest, will be levied for defaults in payment of principal, interest and other monies payable under the loan agreement. Arrears of penal interest shall carry interest at the rate applicable for the loan.
21.	Union Bank of India (*erstwhile Andhra Bank*)	Term Loan	200.00	200.00	August 23, 2022	Bullet payment at the end of one year.	Waiver of prepayment charges if prepayment of term loan is made with prior notice of 30 days otherwise the Company shall pay prepayment charges i.e. 2% on the amount prepaid. No prepayment allowed before due date in respect of Foreign currency term loan.	If the interest and instalments are not serviced in time, the finer rate of interest shall be subject to review and Andhra Bank reserves the right to charge interest rate as per the internal and external credit rating.
	Total		6,820.00	4,214,15				

In addition to the above loans, we have taken the following cash credit and overdraft facilities:

Sr. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Amount Outstanding (as on December 31, 2020) (₹ in crores)	Prepayment Clause	Repayment Terms
1.	RBL Bank	Cash Credit / Working Capital Demand Loan	25.00	15.00	Nil	Repayment on demand

Security for above loans

First pari passu charge on (i) all the current assets (including) investments of our Company, both present and future and (ii) all current and future loan assets of our Company and all monies receivable thereunder. The minimum asset cover required to be maintained by our Company for secured loan facilities mentioned above ranges from 100% to 125%.

Secured Non-Convertible Debentures

Our Company has issued secured redeemable non-convertible debentures of which 2,196.17 is outstanding as of December 31, 2020, the details of which are set forth further below:

Particulars	Amount (₹ in crores)
2,050 secured NCDs of face value of ₹ 10,00,000 each	205
1,99,11,749 secured NCDs of face value of ₹ 1,000 each	1,991.17
Total	2,196.17

Redemption date represents actual maturity and does not consider call/put option, except as stated below:

Sr. No.	Description (ISIN)*	Tenor (in Years)	Coupon Rate (in %)	Amount (in ₹ crores)	Date of Allotment	Date of Redemption	Credit Rating
1.	INE244L07044	3	8.50	165.00	June 29, 2018	June 29, 2021	CRISIL AA and CARE AA
2.	INE244L07077	3	0.00	0.07	September 25, 2018	September 25, 2021	CRISIL AA and CARE AA
3.	INE244L07085	3	0.00	19.07	September 25, 2018	September 25, 2021	CRISIL AA and CARE AA
4.	INE244L07093	3	8.80	901.09	September 25, 2018	September 25, 2021	CRISIL AA and CARE AA
5.	INE244L07101	3	8.90	947.32	September 25, 2018	September 25, 2021	CRISIL AA and CARE AA
6.	INE244L07028	7	9.05	40.00	July 8, 2016	July 7, 2023	CRISIL AA and CARE AA
7.	INE244L07127	5	8.66	20.73	September 25, 2018	September 25, 2023	CRISIL AA and CARE AA
8.	INE244L07135	5	8.90	0.91	September 25, 2018	September 25, 2023	CRISIL AA and CARE AA
9.	INE244L07143	5	9.00	75.22	September 25, 2018	September 25, 2023	CRISIL AA and CARE AA
10.	INE244L07150	10	8.75	0.06	September 25, 2018	September 25, 2028	CRISIL AA and CARE AA
11.	INE244L07168	10	8.84	12.40	September 25, 2018	September 25, 2028	CRISIL AA and CARE AA
12.	INE244L07176	10	9.10	0.35	September 25, 2018	September 25, 2028	CRISIL AA and CARE AA
13.	INE244L07184	10	9.20	13.96	September 25, 2018	September 25, 2028	CRISIL AA and CARE AA

**Secured redeemable non-convertible debentures are secured against immovable property and a first pari passu charge on (i) all the current assets (including investments) of our Company, both present and future and (ii) all current and future loan assets of our Company and all monies receivable thereunder. The minimum asset cover required to be maintained by our Company for each secured NCD is 1.0 times*

***Penalty clause applicable to all secured non-convertible debentures – (i) In case of default in payment of interest and/or principal redemption on the due dates, additional interest of at least 2% per annum over the coupon rate shall be payable by our Company for the defaulting period (ii) In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, our Company shall pay penal interest of at least 1% per annum over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor*

Details of Unsecured Loan Facilities:

Subordinated Debt

We obtain funds from the issuances of non-convertible subordinated debt securities. Our Company has issued unsecured redeemable subordinated non-convertible debenture of the following face values of which ₹ 355.00 crores is outstanding as on December 31, 2020, the details of which are set forth further below:

Particulars	Amount (₹ in crores)
35,500 unsecured NCDs of face value of ₹ 1,00,000 each	355.00
Total	355.00

Redemption date represents actual maturity date.

Sr. No.	Description (ISIN)	Tenor (in Years)	Coupon Rate (in %)	Amount (in ₹ crores)	Date of Allotment	Date of Redemption	Credit Rating
1.	INE244L08018	10	8.45	60.00	November 8, 2017	November 8, 2027	CARE AA and BWR AA+
2.	INE244L08026	9.97	8.45	40.00	November 30, 2017	November 20, 2027	CARE AA and BWR AA+
3.	INE244L08034	10	8.45	50.00	January 5, 2018	January 5, 2028	CRISIL AA and CARE AA
4.	INE244L08042	10	8.85	105.00	March 28, 2018	March 28, 2028	CRISIL AA and CARE AA
5.	INE244L08059	10	8.80	100.00	May 2, 2018	May 2, 2028	CRISIL AA and CARE AA

Perpetual Debt

Nil

List of top 10 Debenture Holders (secured and unsecured) as on December 31, 2020:

Sr. No.	Name of Debenture Holder	Amount (in ₹ crores)
1.	Indiabulls Housing Finance Limited	1,110.00
2.	YES Bank Limited	900.84

Sr. No.	Name of Debenture Holder	Amount (in ₹ crores)
3.	Food Corporation of India CPF Trust	101.00
4.	Indian Oil Corporation Ltd (Refineries Division) Employees Provident Fund	72.80
5.	The Provident Fund Trust for The Employees of Indian Oil Corporation Limited (MD)	40.00
6.	Board of Trustees M.S. R.T.C. CPF	30.00
7.	Visakhapatnam Steel Project Employees Provident Fund Trust	25.60
8.	Board of Trustees G. S. R. T. C. C P Fund	15.00
9.	Hindustan Petroleum Corporation Limited Provident Fund	12.50
10.	Indian Oil Corporation Limited (Assam Oil Division)	11.00

Commercial Papers

The total face value of commercial papers outstanding as on December 31, 2020 is Nil

Details of corporate guarantees:

The amount of corporate guarantees issued by our Company for securitization transactions/assignment with different assignee as on December 31, 2020 is nil.

As on December 31, 2020, the amount of corporate guarantee issued by our Company in favour of its Subsidiary, joint venture entity, Group Companies, etc. is nil.

Inter-Corporate Deposits:

Our Company has not borrowed any amount by way of inter-corporate deposits as on December 31, 2020.

Inter-Corporate Loans:

Except as disclosed below, our Company has not borrowed any amount by way of demand loans under the same management as on December 31, 2020

S. No.	Name of entity	Date of sanction	Sanction Limit (in crore)	Rate of interest	Amount outstanding as on December 31, 2020
1.	Indiabulls Housing Finance Limited	March 20, 2019	1,000	9.00	-
2.	Indiabulls Housing Finance Limited	March 28, 2019	1,000	9.00	785
3.	Indiabulls Housing Finance Limited	April 23, 2019	1,000	9.00	347
4.	Indiabulls Housing Finance Limited	August 27, 2019	1,000	9.00	350

S. No.	Name of entity	Date of sanction	Sanction Limit (in crore)	Rate of interest	Amount outstanding as on December 31, 2020
5.	Indiabulls Housing Finance Limited	September 25, 2019	500	9.00	-
6.	Indiabulls Housing Finance Limited	December 31, 2019	250	9.00	-
					1,482

Loan from Directors and Relatives of Directors:

Our Company has not raised any loan from directors and relatives of directors as on December 31, 2020.

Restrictive Covenants under our Financing Arrangements:

Many of our financing arrangements include various restrictive conditions and covenants restricting certain corporate actions and our Company is required to take the prior approval of the lenders before carrying out such activities. For instance, our Company, *inter alia*, is required to obtain the prior written consent in the following:

i. To create or permit to submit any charge, pledge, lien or other encumbrances over the receivables in favour of any other party/person if it breaches the asset cover of the facility;
ii. To transfer, encumber, charge, pledge, hypothecate or mortgage the receivables in respect of the identified loans if it breaches the asset cover of the facility;
iii. To change or in way alter the capital structure of the borrowing concern;
iv. Effect any scheme of amalgamation or reconstitution;
v. Implement a new scheme or expansion or take up an allied line of business or manufacture;
vi. Enlarge the scope of the other manufacturing/trading activities, if any;
vii. Withdraw or allow to be withdrawn any moneys brought in by the promoters and directors or relatives and friends of the promoters or directors;
viii. Invest any funds by way of deposits, or loans or in share capital of any other concern (including subsidiaries) so long as any money is due;
ix. To change its constitution, more particularly change in promoter, directors or in the core management team or any merger/acquisition/amalgamation;
x. To undertake any new project/ any further expansion;
xi. To obtain any fund based/non fund based credit facility from any financial institution or any other source if it breaches the asset cover of the facility;
xii. To effect any change in Company’s capital structure;
xiii. To undertake any investment activity within group companies except transactions with holding company in normal course of business;
xiv. To enter into any scheme of expansion programme or take up any new activities;
xv. To invest or lend money except in the ordinary course of business or act as surety or guarantor;
xvi. To lease out or dispose of the building/ machinery/ vehicle/ other assets or any part of the building/ machinery/ vehicle/ other assets mortgaged/ hypothecated or shift of plant and machinery/ vehicle/ other assets to any other place if it breaches the asset cover of the facility;
xvii. To transfer, encumber, charge, alienate its movable/ immovable assets (both present and future) in any manner whatsoever which materially or substantially affect the business or interest and other money, etc.;
xviii. To enter into borrowing arrangement either secured or unsecured with any other bank, financial institution, company or otherwise accept deposit if it breaches the asset cover of the facility;

xix. To permit any merger, consolidation, scheme or arrangement or compromise with its creditors or shareholders or effect any scheme of amalgamation or reconstruction;
xx. Implement any scheme of expansion/ diversification/ modernisation other than incurring routine capital expenditure;
xxi. Make any investments by way of share capital, or debentures or loan or to place deposits with any concern except giving trade credits/ except in normal course of business;
xxii. Revalue its assets at any time;
xxiii. Permit any transfer of the controlling interest of promoters/ directors/ partners or make drastic change in the management set up;
xxiv. Enter into contractual obligations of long term nature or affecting the borrower's financial position to any significant extent;
xxv. Carry on general trading activity other than the sale of its own products;
xxvi. Purchase or sell capital goods on hire purchase basis or lease basis;
xxvii. Increase the remuneration of directors/ partners whether by way of salary, commission, perquisite, sitting fees, etc. or make any change in the existing practice with regard to payment of remuneration, salary, perquisite, sitting fees, etc.;
xxviii. To make investments in or giving loans to subsidiary or associate companies to effect mergers and acquisitions;
xxix. To pay dividend other than out of the current year's earnings after making the due provisions applicable only in the event of default;
xxx. To give guarantee on behalf of third parties except in the ordinary course of business;
xxxi. To make any amendment in our Company's memorandum and articles of association;
xxxii. To enter into partnership, profit sharing or royalty agreement or other similar arrangement whereby its income or profits are or might be shared with any other person, firm or company or enter into any management contract or similar arrangement whereby the business and operations of the borrower are managed by any person, firm or company; and
xxxiii. To change the registered office or the location of the borrower.

Events of Default under our Financing Arrangements:

Set forth below, is a list of the key events that constitute a default of covenants under our facility agreements for our financing arrangements and also attract a penal interest in some cases. These include, but are not limited to:

i. Default in the repayments of the loans by our Company;
ii. Entering into a composition with its creditors;
iii. If our Company becomes bankrupt or is adjudicated as insolvent or any insolvency petition is filed against our Company;
iv. Order or resolution passed for the winding up of our Company, or if a petition or a notice of a meeting to pass such a resolution has been initiated;
v. If any of the representations made by our Company in the application for granting credit facilities is found to be untrue or false;
vi. If any instalments of the principal money, due in respect of the loans, whether payment is demanded or not, remain unpaid on the due date for payment by our Company;
vii. Any interest due in respect of the loan remaining unpaid and in arrears after the same have become due;
viii. Any execution, attachment or distraint being enforced or levied against the whole or any part of our Company's property;
ix. A receiver being appointed in respect of the whole or any part of the property of our Company;
x. Ceasing or threatening to cease, to carry on the activity/ activities for the purpose for which loans are borrowed or availed;
xi. The occurrence of any circumstance which is prejudicial to or impairs, imperils or depreciates or is likely to depreciate the value of the security given to the bank by our Company;
xii. The occurrence of any event or circumstances which would likely or prejudicially or adversely affect in any manner the capacity of our Company to repay our loans;
xiii. Going into liquidation, except for the purpose of amalgamation or reconstruction;
xiv. Cross default;

xv. Failure on our Company’s part to create the security as provided in the respective facility agreement;
xvi. Default in perfection of securities;
xvii. Inadequate insurance;
xviii. Invalidity or unenforceability of the documents of our Company;
xix. Nationalisation or expropriation of our Company’s assets or operations;
xx. Downgrade in rating below present rating;
xxi. Non-compliance with RBI norms;
xxii. Change in ownership or management control of our Company; and
xxiii. Diversion of funds apart from the purpose for which the respective facilities are sanctioned by the banks.

As on the date of this Draft Shelf Prospectus, there has been no rescheduling, default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by our Company, in the past 5 years

Servicing behaviour on existing debt securities, payment of due interest on due dates on term loans and debt securities:

As on the date of this Draft Shelf Prospectus, there has been no rescheduling, default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee(s) issued by our Company, in the past 5 yea₹

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

Nil

Details of rest of the borrowings (if any, including hybrid debt like FCCB, Optionally Convertible Debentures/Preference Shares) as on December 31, 2020

Nil

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND DEFAULTS

Our Company, Directors, Promoter, Subsidiary and our Group Companies are subject to various legal proceedings from time to time, mostly arising in the ordinary course of its business. The legal proceedings are initiated by us and also by customers and other parties. These legal proceedings are primarily in the nature of (a) consumer complaints, (b) petitions pending before appellate authorities, (c) criminal complaints, (d) civil suits and (e) tax matters. We believe that the number of proceedings in which we are involved in is not unusual for a company of our size in the context of doing business in India. Except as disclosed below, there is no outstanding litigation including, suits, criminal or civil prosecutions and taxation related proceedings against our Company, Subsidiary, Promoters, Directors and Group Companies that would have a material adverse effect on our operations or financial position.

As on the date of this Draft Shelf Prospectus, there are no failures or defaults to meet statutory dues, institutional dues and dues towards instrument holders including holders of debentures, and fixed deposits and etc., by our Company.

For the purpose of disclosures in this Draft Shelf Prospectus, our Company has considered the following litigation as 'material' litigation:

- *all pending proceedings whether civil, arbitral, tax related litigations, or otherwise (other than proceedings involving IHFL), of value exceeding 1% of our net worth as on March 31, 2020, i.e., more than ₹ 44 crores;*
- *all pending proceedings whether civil, arbitral, tax related litigations, or otherwise, of IHFL, of value exceeding 1% of the net worth of IHFL as on March 31, 2020, i.e., more than ₹ 150 crores; and*
- *any other outstanding legal proceeding which is likely to have a material adverse effect on the financial position, profitability and cash flows of our Company.*

Further, no outstanding litigation by or against any of our related parties identified in accordance with AS18 (notified under the Companies (Accounting Standards) Rules, 2006, as amended) in the Audited Financials for the Fiscal 2018 (other than Indiabulls Housing Finance Limited (being our Promoter)) for whom the material litigations have been disclosed below) have or are likely to have a material adverse effect on the financial position, profitability and cash flows of our Company, the Issue and on the Company's ability to service the NCDs.

Save as disclosed below, there are no:

1. *litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoter during the last five years immediately preceding the year of the issue of this Draft Shelf Prospectus and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;*

2. *inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies' law in the last five years immediately preceding the year of issue of this Draft Shelf Prospectus against our Company (irrespective of whether any prosecutions were filed); fines imposed or compounding of offences done by our Company and our Subsidiary in the last five years immediately preceding the year of this Draft Shelf Prospectus;*

3. *outstanding litigation involving our Company, our Promoter, Directors, Group Companies or any other person, whose outcome could have material adverse effect on the position of our Company; and*

4. *pending proceedings initiated against our Company for economic offences.*

I. Involving our Company

A. Civil cases

1. Three separate securitization applications under Section 17 of the SARFAESI Act have been filed by Adithya Developers ("**Borrower**") before the Debts Recovery Tribunal, Bangalore challenging the measures taken by ICCL under Section 13(4) of the SARFAESI Act by way of taking over the possession of certain properties in respect of a loan. Borrowers have availed three loan facilities for ₹ 71,50,00,000, ₹ 48,50,00,000and ₹ 96,72,467 respectively from ICCL. Borrowers have committed default in the

repayment of loans, consequently, their loan accounts were classified as NPA and ICCL issued notices under Section 13(2) of SARFAESI Act. Borrower has alleged that no loan facility has been granted by ICCL and borrower has not given any security against the loan facilities. We have filed our reply and the matter is pending before the DRT for arguments on April 20, 2021. No relief has been granted by the DRT.

2. Our Company has invoked the arbitration clause and initiated arbitral proceedings against Imagine Estate Private Limited, Bliss Adobe Private Limited and others ("**Respondents**") before Justice Deepak Verma (retired) as the sole arbitrator and has filed its statement of claim against Respondents. The arbitration is in relation to disputes arising out of two loan agreements dated October 10, 2019 and other ancillary loan documents entered between the parties for an aggregate loan amount of ₹ 365 crores.

IHFL has also initiated nine arbitration proceedings and since the aforementioned 11 arbitral proceedings were identical in nature, with the consent of all the parties involved, by an order dated July 9, 2020 and July 11, 2020, these proceedings were consolidated with 'IHFL and Bliss Agri and Eco Tourism Private Limited' being the lead matter.

The Respondents have filed their statements of defence against IHFL and our Company, primarily claiming relaxation under the circulars (circular bearing DOR No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020, circular bearing DOR No. BP.BC. 63/21.04.048/2019-20 dated April 17, 2020 and circular bearing DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020) issued by RBI on grant of moratorium and on that basis have challenged the loan recall notices. These arbitration proceedings are pending for final argumentsof Respondents on March 31, 2021, April 1, 2021, April 3,2021, April 6,2021 and April 13, 2021.

B. Consumer cases

Our Company has approximately five consumer complaints / appeals in which we are respondents. These primarily pertain to alleged deficiency in services. The issues involved in such complaints include, *inter alia,* forceful repossession of vehicles; sale of vehicles; non-issuance of no objection certificates and higher rate of interest and other charges.

C. Proceedings under Section 138 of Negotiable Instruments Act

Our Company, in the ordinary course of business, has 467 proceedings against defaulting customers under the Negotiable Instruments Act.

II. Involving our Promoter

A. Civil cases

1. MMTC Limited ("**MMTC**") had originally filed a company petition (No.123 (ND)/2011) before the Company Law Board, New Delhi on October 21, 2011. However, pursuant to the constitution of the National Company Law Tribunal (the "**NCLT**") the petition is now before the NCLT. MMTC had filed the company petition against IHFL, Indian Commodity Exchange Limited ("**ICEL**"), and Reliance Exchange Next Limited ("**REL**"). In this petition, MMTC has claimed that the transfer of 26% of the equity share capital of ICEL ("**ICEL Shares**") held by IHFL in favour of REL were in violation of the shareholders' agreement dated February 12, 2009 between the shareholders of ICEL ("**SHA**") to which IHFL, MMTC and REL were parties, and which set out the rights and obligations of the shareholders of ICEL, including restrictions in relation to transfer of the IECL Shares. MMTC has also claimed that the transfer of the ICEL Shares was in violation of the revised guidelines of the Forward Market Commission dated May 14, 2008 ("**FMC Guidelines**") as well as the provisions of articles of association of ICEL. MMTC has prayed, *inter alia*, for (i) a declaration that the transfer of the IECL Shares from IHFL to REL be declared null and void *ab initio*, (ii) an order reversing this transfer, and (iii) a declaration that the appointment of directors nominated by REL to the board of directors of ICEL is invalid. IHFL and the other respondents have filed their replies to this petition**.** Furthermore, IHFL has also filed an application (No. 71 of 2012) under Regulation 44 of the Company Law Board Regulations, 1991 for dismissal of this petition on various grounds, including, primarily, that the allegations made by MMTC and the other plaintiffs in the company petition were incorrect, materially inaccurate and fail to disclose any case of oppression and mismanagement, if analysed on its facts and under the FMC Guidelines. The matter has been argued, and written arguments have been filed.

2. IHFL had issued a notice dated March 8, 2013 to Deccan Chronicle Holdings Limited ("**DCHL**"), one of its borrowers, under Section 13(2) of the SARFAESI Act, demanding repayment of an aggregate sum of ₹ 93.04 crores (as on March 3, 2013) together with interest and penal interest. Subsequently, DCHL filed a writ petition (No.37381/2013) before the High Court of Andhra Pradesh in which it, *inter alia*, challenged the right of action of IHFL to issue the notice under Section 13(2) of the SARFAESI Act and prayed for dismissal of such action on various grounds, including that the original loans which are the subject matter of the dispute were granted by Indiabulls Financial Services Limited ("**IFSL**") when it was not a notified financial institution under the SARFAESI Act and accordingly, the amalgamation with IHFL (which was a notified financial institution under the SARFAESI Act) could not, on its own, extend the jurisdiction of the SARFAESI Act to the present dispute. The High Court of Andhra Pradesh, by its order dated February 4, 2014, allowed DCHL's petition, stating, *inter alia*, that the SARFAESI Act did not govern the present matter. Against this order, IHFL has filed a special leave petition before the Supreme Court of India (No. 5752/2014), claiming, among other grounds, that the SARFAESI Act did not prohibit the initiation of SARFAESI proceedings by a notified financial institution in respect of outstanding debts of an entity that amalgamated into such institution. Supreme Court vide judgment dated February 23,2018, allowed special leave petition filed by IHFL and set aside the order dated February 4,2014 passed by the High Court of Andhra Pradesh.

IHFL has also filed two applications under Section 9 of the Arbitration Act before the Civil Court, Hyderabad (number 377/13 and number 378/13) for the grant of interim relief, including for DCHL to furnish security totaling to ₹93.04 crores and for the grant of an injunction restraining DCHL and others from, *inter alia*, creating any third party charge rights or interests or in any manner dealing with the secured assets. The Civil Court, Hyderabad by its order dated March 6, 2013 granted a temporary injunction restraining DCHL from alienating the relevant mortgaged properties in any manner. IHFL pursuant to disposal of the special leave petition, IHFL has sold the mortgaged properties, except the property which is owned by DCHL(under CIRP), as the same is under moratorium, therefore the aforesaid section 9 applications have become infructuous.

3. In August 2012, Veritas Investment Research Corporation published a false and sensationalizing report relating to Indiabulls Real Estate Ltd. ("**IBREL**") and Indiabulls Financial Services Limited ("**IFSL**") (which was subsequently merged into IHFL) co-authored & prepared by one Neeraj Monga. The report consisted of discussions and analysis on factually incorrect data relating to IBREL and IFSL (despite the fact that the correct information was publicly available) and thus adversely impacting prices of the publicly traded shares of IBREL and IFSL. The two Indiabulls entities IFSL and IBREL filed separate criminal complaints before the Mumbai Police and Gurgaon Police against Veritas and the authors of the false report on the grounds that the contents of report published by Veritas were false, defamatory, libelous etc. The police authorities at Mumbai and Gurgaon registered FIRs against Veritas, Neeraj Monga and the other Indian co-author under various provisions of Indian penal law. Indiabulls published a press release on August 8, 2012 stating that the report was false and frivolous. Ostensibly, with a motive to avoid the proceedings in India and as an afterthought, Veritas and Neeraj Monga have after over two years filed a statement of claim against IBREL and IHFL before the Superior Court of Justice, Ontario, Canada claiming 10 million Canadian Dollars as general and special damages and 1million Canadian Dollars as punitive damages on the ground that the publication of the press release by IBREL and IHFL are false and defamatory. However, both IBREL and IHFL had obtained anti-suit injunctions from the High Court of Delhi against the proceedings initiated in Canada. Thereafter, by way of order dated April 29, 2019, the High Court of Delhi has disposed of the two suits seeking anti-suit injunctions. IHFL and IBREL have filed appeals against the said order and a Division Bench of the High Court of Delhi has issued notice on the appeals filed by us. Importantly, IBREL and IHFL have challenged the jurisdiction of the Superior Court of Justice, Ontario to entertain the claim filed by Veritas and Neeraj Monga. The motion challenging the jurisdiction is currently pending adjudication. Subsequently, IHFL has filed a suit for damages against Veritas and Neeraj Monga before the High Court of Delhi seeking payment of damages to the tune of ₹ 200 crores. Veritas and Mr. Neeraj Monga were initially abstaining from appearing before the Indian courts or joining investigations being conducted by Indian agencies. On October 2, 2015, Ontario Superior Court of Justice dismissed application filed by Veritas and Neeraj Monga seeking anti suit injunction from the Ontario Court against suit for damages filed by IHFL before Delhi High Court. In its order dated October 2, 2015, the Ontario Superior Court of Justice made adverse remarks on Veritas and Neeraj Monga. The order of rejection of stay motion was followed by order dated November 4, 2015, whereby cost of $ 27,500was awarded in our favour.

4. Suryachakra Power Corporation Limited ("**SPCL**") and others have filed a writ petition (bearing number

42302/2015) in the High Court of Judicature at Hyderabad for the State of Telangana and for State of Andhra Pradesh ("**High Court of Andhra Pradesh**") against IHFLand Indiabulls Infrastructure Credit Limited ("**IICL**") and others seeking directions to be issued to declare that (i) IHFLdoes not have the authority to invoke the provisions of the SARFAESI Act against SPCL or the assets of Suryachakra Global Enviro Power Limited ("**SGEPL**") and South Asian Agro Industries Limited ("**SAAIL**"); and (ii) the issue of notices of sale, each datedNovember 30, 2015 as arbitrary, illegal and without jurisdiction. The IHFL proceeded to exercise its right under theSARFAESI Act and after taking possession of the secured asset of the SPCL auctioned it for a sale consideration of ₹ 14,04,00,000 (sale deed dated June 08, 2017).By an order dated January 4, 2016, the High Court of Andhra Pradesh issued notice to our Company, however, clarified that the sale conducted shall be subject to final adjudication of this writ petition.

IHFL had also initiated company petitions against SGEPL and SAAIL, respectively in the High Court of Andhra Pradesh wherein by orders, each dated June 22, 2015, the High Court of Andhra Pradesh ordered winding-up of SGEPL and SAAIL and appointed an official liquidator. Through our letters, each dated July 7, 2015, the official liquidator was notified that our Company, being a secured creditor is entitled to proceed with recovery of the amount outstanding from SGEPL and SAAIL in accordance with the provisions of SARFAESI Act and that further steps for sale of assets of SGEPL and SAAIL have been initiated.

Subsequently, by separate sale notices, each dated November 30, 2015 addressed to (i) SGEPL, Bhuvana Engineering and Consultants Private Limited ("**BECPL**") and their personal guarantors; and (ii) SAAIL, BECPL (erstwhile Ushayodaya Energy and Project Consultants Private Limited), SGEPL and its personal guarantors, IHFL notified that the process of e-auction has been initiated in accordance with the provisions of SARFAESI Act. In the meanwhile, IDBI filed two applications in the High Court of Andhra Pradesh seeking to stay the auction proceedings initiated by IHFL on the ground that ifthe official liquidator effects the sale of the properties belonging to SGEPL and SAAIL, then the proceeds can be utilized for clearing the dues of , *inter alia*, the workers and creditors. The matter is yet to be listed. Upon completion of the auction process, the sale of property belonging to SGEPL was effected through sale deed dated June 8, 2017 and the sale of the property belonging to SAAIL was effected through sale deed dated May 24, 2017.

Additionally, IHFL issued notices, each dated March 19, 2018 addressed to S.M. Manepalli and Manepalli Sesavatharam in their capacity as personal guarantors for the loan facility availed by (i) SGEPL and BECPL; and (ii) SAAIL and BCEPL, for invocation of arbitration in accordance with the terms of the loan agreements, each dated March 30, 2012. IHFL has filed two statements of claim against BECPL, S.M. Manepalli and Manepalli Sesavatharam (collectively, "**Respondents**") before the sole arbitrator Justice J.D. Kapoor (retired), claiming an aggregate amount of ₹ 1,19.39 crores and ₹ 1,22.34 crores, in connection with the loans extended to SGEPL and SAAIL, respectively. By orders, each dated September 28, 2018, the sole arbitrator ordered for the proceedings to proceed ex-parte against BECPL and Manepalli Sesavatharam. S.M. Manepalli has filed the statements of defense each seeking to, *inter alia*, (i) dismiss the claims made by our Company; (ii) direct IHFL to deposit ₹ 57.19 crores and ₹ 61.67 croreswith the official liquidator which as per the workings provided in the statement of defence in connection with loan extended to SAAIL and to SGEPL, respectively; and (iii) claim for exemplary cost of ₹ 50.00 croresfor illegal invocation of personal guarantee in connection with loan extended to SGEPL and exemplary cost of ₹ 50.00 croresfor illegal invocation of personal guarantee in connection with loan extended to SAAIL.

5. IHFL initiated proceedings under SARFAESI Act against Shree Ram Urban Infrastructure Limited ("**Shree Ram**") in connection with loan aggregating to ₹ 9,15.00 croressanctioned by IHFL pursuant to which an application was filed in the High Court of Judicature at Bombay ("**Bombay High Court**") seeking handover of the physical possession of the mortgaged property approximately measuring 28,409.57 square meters in project titled Palais Royale situated at Worli Estate, Lower Parel, Mumbai ("**Mortgaged Property**") by the provisional liquidator. By an order dated February 7, 2019, the Bombay High Court allowed the application and ordered for the delivery of possession of the Mortgaged Property in favour of IHFL. However, it was clarified that the sale of the Property shall be conducted in consultation with the official liquidator and if directed to do so by the Bombay High Court, deposit such amount for making payments to the workers as prescribed under the Companies Act. Vikas Kasliwal, erstwhile promoter of Shree Ram filed an appeal in the division bench of the Bombay High Court against the order of the Bombay High Court dated February 7, 2019, wherein no interim relief has been granted.

Additionally, IHFL, in its capacity as the financial debtor initiated proceedings in the National Company Law Tribunal, Bombay ("**NCLT, Bombay**") under Section 7 of Insolvency and Bankruptcy Code, 2016 ("**IBC Code**"), for admission of the petition and initiation of the corporate insolvency resolution process against Shree Ram. Through its order dated May 18, 2018 ("**NCLT Order**"), the NCLT, Bombay dismissed the petition on the grounds that a provisional liquidator has already been appointed by the High Court of Bombay in a company petition filed by Action Barter Private Limited. The NCLT Order was challenged in the National Company Law Appellate Tribunal, New Delhi ("**NCLAT**") which was subsequently dismissed by its order dated May 30, 2018 ("**Impugned Order**") on the grounds that a corporate insolvency resolution process, which is the first stage of resolution process cannot be initiated pursuant to an order for winding up has been made, which is a second stage in the process of resolution. IHFL has challenged the Impugned Order in the Supreme Court on the grounds that winding up proceedings and appointment of provisional creditor were pursuant to consent terms and not part of any adjudication and that the Impugned Order is bad in law. The Supreme Court has admitted the appeal and issued notice thereon.

6. Anir Tech Park Private Limited ("**Anir**") on March 27, 2019 filed an application (bearing number O.A.No. 336/2019) under Section 9 of the Arbitration and Conciliation Act, 1996 in the High Court of Judicature at Madras ("**Madras High Court**") against IHFL, Maavadi Soft Tech Ventures (India) Private Limited ("**Maavadi**") and others seeking, *inter alia*, to restrain IHFL from alienating, transferring or otherwise dealing with equity shares and assets of Maavadi which was placed as security against the loan facility extended by IHFL to Maavadi and True Value Homes (India) Private Limited for an amount aggregating to ₹ 441 crores . Through its order dated April 3, 2019, which was further clarified through order dated April 16, 2019, the Madras High Court had granted an injunction restraining IHFL from , *inter alia*, alienating shares or assets of Maavadi which have been pledged as security in favour of IHFL till May 1, 2019. Stay order qua IHFL has been vacated vide order dated September 29, 2020.

Additionally, Anir has filed a suit in the City Civil Court, Chennai against IHFL, Maavadi and others seeking to *inter alia* restrain IHFL from creating third party rights encumbering or otherwise dealing with the property to the extent of 38,225 square feet secured by way of deed of hypothecation and a declaration that the alleged hypothecation was null and void.

7. Separate Securitisation Applications have been filed by Bliss House Pvt. Ltd. and Bliss Villa Pvt. Ltd. before Debt Recovery Tribunal-II, Delhi challenging the sale notices for the properties i.e. 50% undivided share of Plot No. 20, Diplomatic Enclave, Sardar Patel Marg, New Delhi-11003 and Property No. 18 situated at Kautilya Marg, Chanakya Puri, New Delhi. The First sets of Securitisation Applications titled as 'Bliss House Pvt. Ltd. & Ors. vs Indiabulls Housing Finance Ltd ("**IHFL**") bearing Diary No. 870 of 2020 and 'Bliss Villa Pvt. Ltd. vs IHFL.' bearing Diary No. 869 of 2020 were filed on November 17, 2020 and the second sets of Securitisation Application bearing Dairy No. 911 of 2020 and Diary No. 912 of 2020 were filed on December 8, 2020. The Applicants in their securitisation applications have challenged the SARFAESI proceedings on the grounds that loan recall notice was wrong, the valuation was not proper and the Applicants had got moratorium. Notices were issued in the above-said Securitisation Applications and IHFL has also filed its reply and evidence. IHFL has auctioned Kautilya Marg property. Tribunal has not granted any stay on the auction of the mortgaged properties under auction. However, the sale is subject to outcome of securitisation applications. Vide order dated February 19, 2021, the matter has been listed before the Registrar for completion of pleadings.

Further IHFL also invoked the arbitration clause and initiated 11 arbitral proceedings before Justice Deepak Verma (retired) as the sole arbitrator in each of the 11 arbitral proceedings. IHFL has filed its statement of claim against Imagine Estate Private Limited, Bliss Abode Private Limited, Bliss Agri and Eco Tourism Private Limited, Imagine Residence Private Limited, Bliss House Private Limited, Imagine Homes Private Limited, Imagine Habitat Private Limited, Bliss Habitat Private Limited, Imagine Realty Private Limited, Bliss Villa (Delhi) Private Limited and their respective co-borrowers and guarantors ("**Respondents 1**").

8. IHFL has advanced aggregate loan of ₹ 230 crores under three loan agreements to Orbit Enterprises (the "**Borrower**"). However, the Borrower defaulted in repayment of the loans and therefore, IHFL invoked arbitration clause and filed applications for interim relief under Section 9 of the Arbitration and Conciliation Act, 1996 before the High Court of Delhi on July 16, 2019 being COMP(I) (Comm) 232/2019. In the meanwhile, an application under Section 17 of the Arbitration and Conciliation Act,

1996 has been filed by IHFL. The High Court of Delhi granted reliefs under section 9 of Arbitration and Conciliation Act by an order dated July 25, 2019 restraining all the Respondents from creating third party rights in the properties mentioned in schedules of the loan agreements as executed by the Borrowers. By virtue of the High Court of Delhi order dated October 23, 2019 the said application under Section 9 were disposed of and interim protection was granted under Section 9 of Arbitration and Conciliation Act, 1996 and they were extended till the disposal of both Section 17 application by the sole arbitrator. IHFL appointed Justice Manomohan Singh (Retd) as the sole arbitrator. IHFL has filed Statement of Claims before the Learned sole arbitrator. IHFL has claimed an amount of ₹ 91,14,52354 as of June 17, 2020. respondents filed an application for making payment in terms of the repayment schedule proposed by them. The Ld. Arbitrator has passed an interim award dated January 2, 2021 in favor of IHFL directing the respondents to make payment in terms of the repayment plan proposed by the Respondents. Once the entire agreed amount is paid or default is made in terms of the award, the final award shall be passed after hearing both the parties.

9. Yes Bank had issued 'Basel III compliant Additional Tier I Bonds' aggregating ₹ 8,415 crore during 2016-17 to various investors including IHFL. Although Yes Bank continued to present a sound financial health in public domain, complaints on irregularities in the working of Yes Bank resulted IHFL raising serious concerns over deteriorating standards of corporate governance, non-compliances, improper management practices etc. and accordingly called upon Yes Bank to redeem all the outstanding AT-1 Instruments that were issued to IHFL by repaying the outstanding amounts along with interest accrued. IHFL also called upon Yes Bank to refrain from initiating any action in relation to a write-off of the AT-1 Instruments. However, couple of days thereafter on March 5, 2020, the Government imposed a moratorium upon Yes Bank and the RBI appointed an Administrator superseding the board of Yes Bank. The RBI then issued a draft scheme for restructuring Yes Bank which included a proposal to completely write-down the entire AT-1 Instruments issued by Yes Bank (including those issued to IHFL, redemption of which was already sought on the grounds of mis-management/mis-representation/fraud etc.). Representations against such proposal were made by IHFL and other AT-1 Bondholders including through the trustees, Axis Trustee Services Ltd. Consequently, the RBI with the prior approval of the Government issued a final restructuring scheme which did not consist write-down of AT-1 Instruments. Once such scheme was published, the newly appointed administrator of Yes Bank initiated action to completely write-down all the AT-1 Instruments.

IHFL has filed a writ petition before the Hon'ble Bombay High Court challenging the action of RBI appointed Administrator which purports to write-down AT-1 redemption of which has already been sought by IHFL and which action had been dropped by the RBI from the Yes Bank restructuring scheme. Axis Trustee Services has also filed a writ petition before the Hon'ble Bombay High Court on behalf of various Bondholders. The Hon'ble Bombay High Court has directed that any action taken by the respondents shall be subject to further orders passed by the court.

10. IHFL has sold the mortgaged properties in the loan accounts under SARFAESI Act and to recover the remaining amount has initiated arbitration proceedings. IHFL has commenced five separate arbitration proceedings in the loan accounts of RHC Holdings Private Limited ("**RHPL**"). Out of which, three arbitration proceedings are pending before Justice R.B. Misra (Retd) and two arbitration proceedings are pending before Justice RC Chopra (Retd.). IHFL has filed five separate applications under Section 17 of the Arbitration and conciliation Act, 1996. The Ld. Arbitrator(s) have passed orders restraining respondents from disposing off their movable and immovable assets. RHPL has been proceeded ex-parte in all the five arbitration proceedings. Malvinder Mohan Singh and R.S. Infrastructure Limited ("**RSIL**") who are respondents in the arbitrations pending before Justice Chopra have been proceeded ex- parte as well. IHFL has filed claims in all the five arbitrations. In the three arbitrations pending before Justice R.B. Mishra, IHFL has filed claim for amount of ₹ 2,05,29,923 and in the two arbitration proceedings before Justice Chopra claim of ₹ 345,17,73,680has been filed.

Additionally, IHFL has also filed two applications in the execution proceedings initiated by Daiichi against Malvinder Singh and others pending before Delhi High Court. The first application has been filed for impleadment and the second application to bring on record that property listed at item no 8 at paragraph no 9 of the order dated December 17, 2018 passed by the High Court of Delhi i.e. House No. 40 Sector 4 Chandigarh is mortgaged with IHFL and IHFL is proceeding under SARFAESI Act for recovery of its dues.

Modland Wears Private Limited ("**MWPL**"), mortgagor of the property House No 40 Old Plot No 36 sector 4 Chandigarh has also filed Securitisation Application before DRT Chandigarh, challenging the

DM order passed under Section 14 of the SARFAESI Act, dispossession from the property and sale notice. Notice has been issued in the said SA. The Securitisation Application has become infructuous, as the mortgaged property has already been sold, Sale Certificate dated May 6, 2019 has also been registered and physical possession of the said property has been handed over to the purchaser.

Vinay Prakash Singh (Representative of Daiichi Sankyo) has filed application in SLP (C) No.20417 of 2017 against Malvinder Mohan Singh, Shivinder Mohan Singh, Vivek Singh, Japna Malvinder Singh, Aditi Shivinder Singh, Oscar Investments Ltd., RHC Holding Pvt. Ltd., Mr. Sameer Gehalut, Mr. Gagan Banga, Mr. Divyesh Bharat Kumar Shah, Mr. Pinank Jayant Shah and others alleging contempt of certain orders of Supreme Court. Petitioner has claimed that certain shares of Fortis Healthcare Ltd held by Fortis Healthcare Holding Pvt Ltd. which were given to Indiabulls Housing Finance Ltd with pre-signed delivery slips against a pre-existing loan were transferred in violation of the orders of the Supreme Court of India . Contempt against directors of Indiabulls was purged and proceedings against them were closed vide order dated December 18, 2019. The Supreme Court of India vide order dated February 18, 2021 has directed the banks and financial institutions to place on record the information regarding loans granted by them. Accordingly IHFL has filed the affidavit disclosing the information sought by the Hon’ble Court.

11. **Kislay Panday-**IHFL has lodged a first information report (“**FIR**”) in the Udyog Vihar Police Station, Gurugram on June 4, 2019 against Vikash Shekhar and his associates for acts of forgery, extortion, criminal intimidation and threat, pursuant to which Vikash Shekhar was arrested on June 8, 2019. Upon arrest, the Vikash Shekhar disclosed that Kislay Pandey obtained his signatures and drafted complaints which were subsequently filed against IHFLbefore various higher officials alleging misappropriation of funds aggregating to ₹ 98,000crores. The Complaint was subsequently withdrawn by Vikash Shekhar as being false, concocted and filed by him in exchange of money received from Kislay Pandey and Ram Mani Pandey.

Subsequently, Ram Mani Pandey was arrested on June 27, 2019 and it was found that Ram Mani Pandey had falsely claimed to be an advocate on the basis of a forged Bar Council Enrolment ID. By an order dated March 2, 2020, the Judicial Magistrate First Class, Gurugram (“**JMFC, Gurugram**”) framed charges against Vikash Shekhar and Ram Mani Pandey for, *inter alia*, attempting to put officials of IHFL in fear of injury in order to commit extortion, threatening to file complaints against IHFL before various statutory bodies and forging of the Bar Council enrolment ID. The investigations are ongoing and the JMFC, Gurugram has issued proclamation against Kislay Pandey.

Additionally, Vikash Shekhar filed a petition in the High Court of Punjab and Haryana at Chandigarh (“**Punjab High Court**”) seeking to (i) quash the FIR dated June 4, 2019 and all subsequent proceedings arising therefrom; (ii) order dated March 2, 2020 passed by JMFC, Gurugram framing the charges against Ram Mani Pandey and Vikash Shekhar. Subsequently, Vikash Shekhar also filed an application seeking exemption from personal appearance before the trial court during the pendency of the petition. The petition was dismissed as withdrawn with liberty to avail alternative remedy. The Punjab High Court in its order dated February 5, 2020 has recorded that Vikash Shekhar has filed an application under 156(3) of the CrPC read with 190 of the CrPC before the JMFC, Gurugram. However, since IHFL has not been impleaded as party, no copy of the application has been served to our Company.

Further, Kislay Pandey filed fourth application before the Court of Sessions Judge at Gurugram on July 29, 2020 seeking an anticipatory bail which was dismissed by the Additional Sessions Judge, Gurugram through an order dated August 10, 2020. Additionally, Kislay Pandey also filed a writ petition in the Punjab High Court seeking to quash the FIR which was dismissed by an order dated February 27, 2020.

Further, Ram Mani Pandey filed fifth application before the Sessions Judge at Gurugram seeking a regular bail. By an order dated May 19, 2020, the Additional Sessions Judge granted bail to Ram Mani Pandey with directions to furnish bail bonds of ₹ 50,000 with one surety in the like amount to the satisfaction of the duty/area Magistrate and that Ram Mani Pandey shall not try to influence the prosecution witness and shall not evade the trial.

Furthermore, IHFL and Sachin Choudhary (in his capacity as the Director of our Company) have filed a suit for permanent injunction against Vikash Shekhar, Ram Mani Pandey, Kislay Pandey, R Narayan, Kunal Shekhar, Managium Juris LLP, Jitender Upadhyaya, Manoj Singh, Shailendra Tiwari, Shaukat Ali, Mohan Raj Saxena, Vijay Bahadur Singh, Vipin Kumar Yadav, Velayudam, Partiban and Radhakrishnan (collectively, “**Defendants**”) in the High Court of Delhi at New Delhi (“**Delhi High**

Court") against false, frivolous fabricated complaints filed by the Defendants before various government authorities alleging misappropriation of funds aggregating to ₹ 980 billion by our Company. IHFL sought to, *inter alia*, (i) permanently restrain the Defendants from giving publicity in print and/or social media the complaints filed by them against our Company; (ii) issue direction to the Bar Council of India to initiate proceedings to revoke the license of practice of Kislay Pandey; and (iii) restraining Vikash Shekhar from appearing as an advocate till such time he is enrolled as an advocate with the State Bar Council. By an order dated July 8, 2019 ("**Stay Order**"), the High Court of Delhi issued summons and granted an interim injunction restraining the Defendants from jointly and severally disseminating and publishing information or suit or complaints made to statutory authority in relation to IHFL through print or social media until the next date of hearing. Kislay Pandey has filed his written statement denying all averments made against him in present suit. The High Court of Delhi on our fresh application under order XXXIX Rule 2 CPC, vide order dated September 28,2019 has further directed Vikas Shekhar to adhere the interim order. We have filed a contempt application against Vikas Shekhar and Ram Mani Panday stating that they have wilfully disobeyed the injunction order of the Court by way of filing frivolous complaints before the government authorities. The matter is listed for February 4, 2021. Vide order dated November 20,2020 operation of the Stay Orders dated July 8,2019 and September 28,2019 have been extended by the High Court of Delhi and the matter is listed on May 17,2021

12. IHFL has filed a suit for defamation as IHFL is facing defamatory tweets and retweets by Prashant Bhushan, despite being a housing finance company registered with NHB, is working within the legal framework, which resulted in not only the loss of reputation but also diminishing and reducing value of its shares. The Court has restrained Prashant Bhushan from tweeting or re-tweeting the facts as stated in the tweets dated March 6, 2020, March 12, 2020 and March 13, 2020. Indiabulls Housing finance Limited has also claimed damages of ₹ 100 crores. Twitter International Company has filed an application under Order I Rule 10 CPC stating that it is providing services in European countries only and Twiter Inc. is providing services in India and accordingly Twitter Inc. should be impleaded. Vide order dated June 8, 2020, Twitter Inc. has been substituted in place of Twitter International Company and Twitter Inc. has been directed to remove URL's as per the order dated March 18, 2020. Written Statement filed by Defendant No.1, Prashant Bhushan,. Reply to Order 39 Rule 1 and 2 filed by Twitter Inc. and by Prashant Bhushan. Applications under Order 39 Rule 4 for vacation of stay have been filed by Facebook, Instagram and Prashant Bhushan. The documents filed by Defendant No. 4 (Prashant Bhushan). Instagram has also filed an application for deletion form the array of parties.

13. IHFL has given Loan Facilities total aggregating to ₹ 726,00,00,000 to borrowers under different loan agreements. Dr. Subhash Chandra is the guarantor to the aforesaid loans. Borrowers defaulted in the repayment of the loans and IHFL filed petition under Section 9 of Arbitration and Conciliation Act, 1996 before the Hon'ble High Court of Delhi . The High Court of Delhi vide orders dated May 1, 2019 restrained the respondents from creating any third-party rights/interests or dealing with the properties, in any way, which have been hypothecated / mortgaged with IHFL for disclosing on affidavit the details of the assets owned by borrowers, co-borrowers and guarantors for securing the loan amount. IHFL appointed Justice Mr. Badar Durrez Ahmed (Retd.) as the sole arbitrator and vide order dated August 8, 2019, Section 9 petition was disposed of by the Hon'ble High Court of Delhi . IHFL has initiated two separate arbitration proceedings, one against the guarantor, Dr. Subhash Chandra and the other against the borrowers companies. IHFL has filed statement of claim and application for interim relief under Section 17 of the Arbitration and Conciliation Act, 1996. The Ld. Arbitrator, vide order dated August 28, 2019 has restrained Dr. Subhash Chandra from disposing off unencumbered shares held directly or indirectly by him in Zee Entertainment Enterprises Limited and has also restrained him from disposing off the assets detailed in the affidavit of assets filed by him. The Interim Order dated May 1, 2019 passed in Section 9 petition by the Hon'ble High Court of Delhi is continuing and will continue till disposal of the Section 17 application. The matter is pending for settlement.

14. IHFL has granted loans for an amount of ₹ 283,00,00,000 under two separate loan agreements to Raghuleela Infraventures Private Limited ("**RIPL**") . On account of the default by RIPL, IHFL has recalled the loans vide two separate loan recall notices dated March 9, 2020 and has invoked the personal guarantees as well. IHFL has filed a petition under Section 7 of IBC before NCLT, Mumbai against RIPL. The NCLT has issued notice to the Corporate Debtor and has listed the matter on April 5, 2021.

    Further, IHFL has filed two separate applications under Section 95 IBC before the NCLT Mumbai against Mr. Sanjay Chhabria and Mrs. Ritu Chhabria respectively.

    IHFL has also filed an application under Section 9 of the Arbitration and Conciliation Act, 1996

("**Section 9 Application**") in the High Court of against Raghuleela Infraventures Pvt. Ltd., Radius & Deserve Builders LLP, Sanjay Chhabria and Ritu Chhabria ("**Respondents**") seeking direction to restrain the respondents from alienating/ selling/ transferring/creating third party rights in the mortgaged properties and deposit the outstanding amount before the Registrar General of the Court. The Court has ordered status quo and directed that no third party interest would be created in respect thereof without leave of the Court. The matter is currently listed for hearing on April 29, 2021. IHFL has issued notice of invocation of arbitration.

15. IHFL has filed Section 9 Application in the Delhi High Court, against Ambience Projects and Infrastructure Private Limited("**APIPL**"), Rockstar Buildcon Private Limited, Vijeta Properties Private Limited, Rockstar Realty Private Limited, Hitech Towers Private Limited, Caitriona Towers Private Limited, Bigboss Realty Private Limited, Greentech Colonizers Private Limited, Supervalley Buildtech Private Limited, Master Buildwell Private Limited, Ambience Power Projects Private Limited, Prime Commercial Private Limited, R.S.G. Housing & Finance Limited, Ambience Infrastructure Developers Private Limited, Rockstar Infratech Private Limited, Armaan Buildcon Private Limited, Greenvalley Realtors Private Limited, Shekhar Singh, Surender Singh, Surabhi Gehlot, Sheela Gehlot, Shahista Gehlot, Aman Holdings Private Limited, Aman Growth Fund Private Limited, Nutan Growth Fund Private Limited and Raj Sheela Growth Fund Private Limited (collectively, "**Respondents**"), seeking, *inter alia,* restraint orders against the Respondents from selling, transferring, alienating, creating any third-party rights or interests in or dealing with the properties furnished as security to IHFL and to restrain APIPL from making any payment to any third party or inter-se transferring any funds and assets between its group / associate companies, and / or providing any financial assistance, directly or indirectly, to meet the obligations of any of the APIPL's promoters, directors, personal or corporate guarantors, pending conclusion of the arbitration proceedings. The matter is pending.

16. Citizens Whistle Blower Forum in September 2019 ('**CWBF**') filed a writ petition in public interest ("**PIL**") before the High Court of Delhi at New Delhi ("**Delhi High Court**") against our Company, Sameer Gehlaut, Union of India through its Secretary of Ministry of Finance and Ministry of Corporate Affairs, National Housing Bank, Reserve Bank of India, Registrar of Companies – Kolkata, Serious Fraud Investigation Office and the Securities and Exchange Board of India, seeking direction for investigation by government authorities into alleged violations by our Promoter and alleged irregularities pertaining to facilities extended by our Company to five borrower groups. Our Company filed two applications in the High Court of , being (i) an application dated September 27, 2019 seeking, *inter alia*, dismissal of the writ petition and imposition of exemplary costs; and (ii) an application dated September 27, 2019 under Section 340 of the CrPC seeking prosecution against Prashant Bhushan, the deponent of the PIL, for having made false statements on oath. A common reply dated October 22, 2019 ("**Common Reply**") was filed by Prashant Bhushan on behalf of CWBF denying the averments made in the two applications made by our Company and raising further allegations against our Company. Through its rejoinder dated October 23, 2019, our Company denied all further allegations made in the Common Reply.

Subsequently, MCA through its interim affidavit dated October 22, 2019 and additional affidavit dated November 28, 2019 stated that pursuant to the inspection of the books of accounts of our Company, the MCA had received the inspection report on November 15, 2019 which provided that out of facilities extended to the five borrower groups being the subject matter of the PIL, three loans were repaid and the remaining two loans were reported to be "**Standard Accounts**". Additionally, the RBI submitted a counter affidavit dated February 26, 2020 in the PIL to place on record certain facts relevant to the RBI. In its counter affidavit, the RBI has not made any statement that violations have been committed by our Company. Further, based on the facts referred to in the counter affidavit, the RBI has submitted that the PIL is not maintainable either on facts or on law as against the RBI and hence liable to be dismissed as such. Further, through its counter affidavit dated January 6, 2020, SEBI submitted that prima facie, there appear to be no allegations of non-compliance, if any, of the provisions of Securities and Exchange Board of India Act, 1992 or any rules and regulations made thereunder. By an order dated February 28, 2020 the High Court of Delhi granted four weeks' time to NHB, the Registrar of Companies, Kolkata and SFIO to file their counter affidavits and the counsel for Union of India sought time to take instructions. The matter was adjourned to May 11, 2020. Through an office order dated May 2, 2020, the High Court of Delhi listed the matter on June 8, 2020 on account of the functioning of courts being suspended due to the lockdown. On account of curtailed functioning of the Delhi High Court, mater has been adjourned time to time and is now listed on May 13, 2021.

B. Consumer cases

IHFL has approximately 263 consumer complaints / appeals in which we are respondents. These primarily pertain to alleged deficiency in service and there are some proceedings in which we are *pro forma* parties. The issues involved in such complaints include, *inter alia,* charging allegedly foreclosure charges / pre-payment penalty, excessive interest rate, unilateral increase in tenure, declaration of account as NPA, stay of possession of property, forceful repossession of vehicles; sale of vehicles; non-issuance of no objection certificates and higher rate of interest.

C. *Criminal cases including cases under Section 138 of the Negotiable Instruments Act*

IHFL, in the ordinary course of business, has numerous proceedings against defaulting customers under section 138 of the Negotiable Instruments Act. Further, 16of the pending cases filed against us are in the nature of criminal appeals filed against conviction in such cases initiated by us under section 138 of the Negotiable Instruments Act.

Part charge sheet have been filed and name of IHFL employees have been removed.

Criminal Proceedings involving our Promoters

1. Manisha Rajgaria ("**Complainant**") filed a complaint dated July 19, 2010 before Chief Judicial Magistrate, South 24 Parganas at Alipore ("**CJM, Alipore**") against IHFL and Sameer Gehlaut, in his capacity as the then managing director of IHFL alleging commission of criminal breach of trust punishable under Section 406 of the IPC in relation to certain loan facilities extended by IHFL. The CJM, Alipore took cognizance of the matter and transferred the matter to Judicial Magistrate, 10th Court, Alipore ("**JM, Alipore**") for disposal. By an order dated July 29, 2010 ("**Impugned Order 1**"), the JM, Alipore issued process against Sameer Gehlaut, the then managing director of IHFL. Subsequently, IHFL filed an application in the High Court of Calcutta, Criminal Revisional Jurisdiction ("**Calcutta High Court**") seeking to, *inter alia,* (i) quash the Impugned Order and the proceedings before the JM, Alipore; and (ii) stay the proceedings before the JM, Alipore. By an order dated June 20, 2011, the Calcutta High Court stayed the proceedings before the JM, Alipore for a period of 10 weeks.

   The Complainant further filed another complaint dated March 25, 2011 against IHFL, Sameer Gehlaut in his capacity as the Director and two former directors, Rajiv Ratan and Saurabh K Mitthal ("**Accused**") on grounds of alleged criminal breach of trust punishable under Section 406 and commission of offenses punishable under Sections 420 and 120B of the IPC in relation to certain loan facilities extended by IHFL. The CJM, Alipore took cognizance of the matter and transferred the matter to JM, Alipore. By an order dated March 29, 2011 ("**Impugned Order 2**"), the JM, Alipore issued process against the Accused**.** Subsequently, IHFL filed an application in the Calcutta High Court seeking to, *inter alia,* (i) quash the Impugned Order 2 and the proceedings before the JM Alipore; and (ii) stay the proceedings before the JM, Alipore. By an order dated May 18, 2011, the Calcutta High Court stayed the proceedings before the JM, Alipore for a period of eight weeks. The matter is listed on June 11, 2021 for awaiting order from High Court.

2. Joy Deep Mukherjee ("**Complainant**") filed a complaint before the Additional Chief Judicial Magistrate, at Durgapur ("**ACJM, Durgapur**") against Arun Kumar and Mintu Roy who are employees of IHFL (collectively, "**Accused**") alleging commission of offence punishable under Section s 403, 406, 511, 420 of the IPC on grounds that the Accused demanded money in excess of his loan liabilities and initiating malicious legal proceedings to recover such loan amount. By an order dated April 19, 2016, the ACJM, Durgapur issued summons to the Accused. The Accused have filed quashing petition before the High Court of Judicature at Calcutta ("**Calcutta High Court**") and the Calcutta High Court by an order dated September 28, 2016 stayed the proceedings before the ACJM, Durgapur for six weeks.

3. Chander Mohan Kapur filed contempt application against IHFL and Gagan Banga (in his capacity as Vice Chairman and Managing Director of IHFL), Joginder Khatri, Sanjeev and Sonu Bharia, who are employees of IHFL (collectively, "**Respondents I**") in the Court of Session Judge,Gurugram ("**CSJ, Gurugram**") for violating, disobeying and breaching the terms of settlement and order dated March 6, 2019 ("**Settlement Order**") and judgment dated July 19, 2019 passed by the Additional District and Sessions Judge, Gurugram ("**ASJ, Gurugram**") by initiating fresh proceedings before the Debts Recovery Tribunal – II, Delhi for taking possession of the mortgaged property in violation of the Settlement Order and judgment dated July

19, 2019. Through its order dated August 13, 2019, ASJ, Gurugram issued summons against the Respondents I to appear before ASJ, Gurugram on October 18, 2019.

Subsequently, Chander Mohan Kapur filed another contempt application against IHFL and Gagan Banga (in his capacity of the Vice Chairman and Managing Director of IHFL) (collectively, "**Respondents II**") in CSJ, Gurugram for summoning the original file of appeal titled "Chander Mohan Kapur v. Indiabulls Housing Finance Limited" decided by way of the order dated July 19, 2019 passed by ASJ, Gurugram. Additionally, the application sought for the review of the aforementioned documents and for directions to be given to the Respondents II to release the original documents including the sale deed of the mortgaged property and issue a no dues certificate. Through its order dated February 10, 2020, ASJ, Gurugram issued summons against the Respondents II to appear before ASJ, Gurugram on February 19, 2020. Matter has been listed on April2, 2021 for reply and arguments.

4. The Commissioner of Police, Greater Chennai Square, Chennai received a complaint filed by K. Ganapathi Mudaliar, on behalf of Uma Maheshwari ("**Complainant**") against IHFL, C Vengatesh, Softex Private Limited and V. Vijayalashmialleging, *inter alia*, alleging cheating, criminal breach of trust and forgery. Subsequently, the Sub-Inspector of Police, Central Crime Branch registered an FIR against the Accused on February 2, 2010. Upon completion of the investigation, the final report November 11, 2014 was filed before the XI Metropolitan Magistrate, Saidapet Chennai ("**XI MM, Chennai**") pursuant to which a charge sheet("**Impugned Charge Sheet**") was made against C Vengatesh, V. Vijayalashmi and Amrish Agarwal, a former employee of IHFL (collectively "**Accused**"). Subsequently, Amrish Agarwal, has filed a quashing petition in the High Court of Judicature at Madras ("**Madras High Court**") seeking to quash the Impugned Charge Sheet on the grounds that even if the facts stated in the FIR were accepted as true, no offence can made out against him. By an order dated July 9, 2015, the Madras High Court while disposing of the petition held Amrish Agarwal has been accused on the sole basis that he was the manager who sanctioned the loan which by itself is not sufficient to criminally hold a person liable and ordered for reinvestigation into the matter. Additionally, the Madras High Court directed Amrish Agarwal to surrender before the XI MM, Chennai and give a bond of ₹ 25,000 with two sureties pursuant to which XI MM, Chennai shall release Amrish Agarwal on bail. It further directed both, the de facto complainant Uma Maheshwari and Amrish Agarwal to appear before the Assistant Commissioner of Police as and when required and in case of non-cooperation, the bail issued to Amrish Agarwal may be cancelled. Furthermore, the Complainant has filed a petition for further investigation in the Madras High Court seeking to direct the Sub-Inspector of Police, Central Crime Branch, EDF – II, Team 4 to conduct further investigation and file additional/supplementary report within reasonable time.

5. Minnie Verghese has registered an FIR in Hennur Police Station, Bengaluru against Prabin Pradhan, who is an employee of IHFL, S.B Sudhakar and Narasimha Reddy (collectively, "**Accused**") for, *inter alia*, alleged cheating and criminal conspiracy pursuant to which a charge sheet was made. The XI Additional Chief Metropolitan Magistrate, Bengaluru ("**XI CMM, Bengaluru**") took cognizance of the matter and issued process by an order dated April 19, 2016. Prabin Pradhan, Azahar Ali and Sriharsha K, employees of IHFL (collectively, "**Petitioners**") have filed criminal petition in the High Court of Karnataka ("**Karnataka High Court**") for quashing the proceedings initiated before the XI CMM, Bengaluru and filed an application praying for a stay on further proceedings. The Karnataka High Court through its order dated June 8, 2016 granted stay on the proceedings for a period of 12 weeks and recalled the non-bailable warrants but clarified that the Petitioners shall appear before the court in all hearings. The matter has since not been listed.

Sundesh Springs, Adishwar Jain and Sunita Jain ("**Applicants**") filed an application under Section 340 of CrPC before the Ilakha Magistrate, District Court, Gurugram ("**IMDC, Gurugram**") against IHFL, seeking, *inter alia*, for (i) the matter to be committed to concerned Metropolitan Magistrate to prosecute IHFL for act of perjury; (ii) dismiss the complaint filed by IHFL under Section 138 of the Negotiable Instruments Act, 1881. The matter was called for hearing before the Judicial Magistrate First Class, Gurugram and was dismissed by an order dated January 21, 2017 for want of prosecution ("**Dismissal Order**"). Subsequently, the Applicants have filed a revision petition in the District and Sessions Judge, Gurugram against IHFL seeking re-call of the Dismissal Order and seeking restoration of the application. Matter is listed on April 21, 2021.

6. Neeraj Kumar filed an application under Section 340 of the CrPC before Judicial Magistrate First Class, Gurugram ("**JMFC, Gurugram**") against IHFL alleging that IHFL has committed the offence of perjury by giving false information within its knowledge on oath and concealing the fact that IHFL received payments and accordingly, sought for initiation of criminal proceedings against IHFL. The application was dismissed by JMFC, Gurugram through its order dated January 7, 2020 ("**Dismissal Order**"). Subsequently, Neeraj Kumar has filed an appeal before the Additional District and Sessions Judge, Gurugram ("**ADSJ, Gurugram**") against the Dismissal Order. By an order dated February 7, 2020, the ADSJ, Gurugram issued summons to IHFL. By an order dated June 1, 2020 the ADSJ, Gurugram adjourned the matter to April 7,2021.

7. Lease Plan India Private Limited and another ("**Complainants**") filed a complaint in the Court of Metropolitan Magistrate, New Delhi ("**CMM, New Delhi**"), against Store One Retail India Limited ("**Store One**"), Sameer Gehlaut, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Anil Lepps, Mehul C. Johnson, Aishwarya Katoch, Mukul Bansal and Karan Singh, each impleaded in their capacity as directors of Store One (collectively, "**Accused**"), alleging the commission of offence punishable under Sections 406, 420 and 120-B of the IPC seeking issuance of summons to the Accused to face trial and award compensation in terms of Section 357 of CrPC. Additionally, the Complainants filed an application dated April 24, 2012 before the Chief Judicial Magistrate, New Delhi, seeking for directions to be given to the concerned police station to register a first information report. By an order dated March 30, 2017 ("**Impugned Order**"), the CMM New Delhi dismissed the complaint filed before it. Subsequently, the Complainants have filed an application in the High Court of Delhi, New Delhi ("**High Court of Delhi**"), seeking quashing the Impugned Order and issue summons to the Accused to face trial for offences under Sections 406, 420 and 120-B the IPC.

8. Ramesh Kumar Gupta ("**Complainant**") filed complaint on September 26, 2006 against Gagan Banga, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Sameer Gehlaut, Karan Singh, Rajiv Rattan, Saurabh Mittal, Ashwini Omprakash Kumar, in their capacity as directors of Indiabulls Ventures Limited (erstwhile Indiabulls Securities Limited) ("**IVL**"), Amit Jain in his capacity as the company secretary of IVL and other employees of IVL on the files of Kaithal Police Station alleging commission of offences punishable under Sections 406, 420, 467, 468, 471 and 120-B of the IPC. Subsequently, the Complainant filed a complaint in the Court of Judicial Magistrate, Kaithal (Haryana) ("**CMM, Kaithal**") against Indiabulls Ventures Limited, Gagan Banga, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Sameer Gehlaut, Karan Singh, Rajiv Rattan, Saurabh Mittal, Ashwini Omprakash Kumar, Amit Jain and other employees of IVL in relation to a dispute regarding alleged unauthorised trading effected in his securities trading account. Through a letter dated October 6, 2006, the allegations were denied on the grounds that (i) Sameer Gehlaut, Ashwini Omprakash Kumar, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Saurabh Mittal, Karan Singh were not directors of IVL; (ii)Gagan Banga and Rajiv Rattan were not involved in the day to day management of the trading in the accounts maintained by IVL; and (iii) Amit Jain was not the company secretary of IVL. We understand that upon completion of the investigation, a closure report has been filed by the police authorities as no cognizable offence has been made out. The matter is currently pending for closure in the CMM, Kaithal.

9. Joginder Sansanwal ("**Complainant"**) filed an application before the Metropolitan Magistrate, Patiala House Court, at New Delhi ("**Patiala House, Delhi**") under Section 156 of the CrPC against IHFL in relation to the dispute pertaining to the applicable rate of interest and tenor of the loan facility extended to the Complainant. By an order dated November 17, 2018, the Patiala House, Delhi directed the registration of a first information report ("**FIR**") against IHFL. Subsequently, the Parliament Street Police Station registered an FIR on December 1, 2018 against IHFL for offenses punishable under Sections 406, 420, 468 and 471 of IPC.

10. IHFL lodged a first information report ("**FIR**") in the Udyog Vihar Police Station, Gururgram on June 4, 2019 against Vikash Shekhar and his associates for acts of forgery, extortion, criminal intimidation and threat pursuant to which Vikash Shekhar was arrested on June 8, 2019. Upon arrest, Vikash Shekhar disclosed that Ram Mani Pandey & Kislay Pandey obtained his signatures and drafted complaints which were subsequently filed against IHFL before various higher officials. Subsequently, Ram Mani Pandey was arrested on June 27, 2019 and it was revealed that Ram Mani Pandey had falsely claimed to be an advocate. By an order dated March 2, 2020, the Judicial Magistrate First Class, Gurugram ("**JMFC, Gurugram**") framed charges against Vikash Shekhar and Ram Mani Pandey. Proceeding under Section 82 CRPC was executed against Kislay Pandey.

Additionally, Vikash Shekhar filed a petition in the High Court of Punjab and Haryana at Chandigarh ("**Punjab High Court**") seeking handover the investigation of FIR No.216/19 dated June 4, 2019 Udyog Vihar Police Station to some independent agency like CBI, and to appoint an independent special investigation team (SIT) to conduct de-nova investigation etc. He also filed an application seeking exemption from personal appearance before the trial court during the pendency of the petitions. The petitions were dismissed as withdrawn with liberty to avail alternative remedy.

Further, Kislay Pandey filed fourth application before the Court of Sessions Judge at Gurugram on July 29, 2020 seeking an anticipatory bail which was also dismissed by the Additional Sessions Judge, Gurugram vide an order dated August 10, 2020. Additionally, Kislay Pandey has filed a writ petition before the Punjab & Haryana High Court seeking quashing of FIR which was dismissed by an order dated February 27, 2020. Further, Ram Mani Pandey filed fifth bail application before the Sessions Judge at Gurugram seeking a regular bail. By an order dated May 19, 2020, the Additional Sessions Judge granted regular bail to Ram Mani Pandey with directions to furnish bail bonds of ₹ 50,000 with one surety in the like amount to the satisfaction of the duty/area Magistrate with conditions that Ram Mani Pandey shall not try to influence the prosecution witness and shall not evade the trial.

Furthermore, IHFL and Sachin Choudhary (in his capacity as the Director of IHFL) have filed a suit for permanent injunction against Vikash Shekhar, Ram Mani Pandey, Kislay Pandey and others (collectively, "**Defendants**") in the High Court of Delhi at New Delhi ("**Delhi High Court**") seeking, *inter alia,* to (i) permanently restrain the Defendants from giving publicity in print and/or social media the complaints filed by them against IHFL; (ii) issue direction to the Bar Council of India to initiate proceedings to revoke the license of practice of Kislay Pandey; and (iii) restraining Vikash Shekhar from appearing as an advocate till such time he is enrolled as an advocate with the State Bar Council. By an order dated July 8, 2019 ("**Stay Order**"), the High Court of Delhi issued summons and granted an interim injunction restraining the Defendants from jointly and severally disseminating and publishing information or suit or complaints made to statutory authority in relation to IHFL through print or social media until the next date of hearing. Kislay Pandey has filed his written statement denying all averments made against him in present suit. The operation of the Stay Order has been periodically extended by the High Court of Delhi and was last extended by an order dated February 18, 2020. The High Court of Delhi through its *suo motu* order dated July 13, 2020 has extended the operation of interim orders which were in subsistence as on March 16, 2020 until August 31, 2020.

11. IHFL had filed a complaint dated September 3, 2010 with the Economic Offence Wing of Delhi Police against Raj Kumar Suneja, Chhaya Devi, Raj Rani Goel, Sandeep Kumar and Ashok Kumar (collectively, "**Accused**") seeking to register a first information report and prompt legal action under Sections 403, 415, 418, 420, 423, 424, 463, 464, 466, 467, 468, 469, 471, 477-A and 120-B of the IPC which was referred to the Additional Commissioner of Police, New Delhi through letter dated November 8, 2010. However, no action was taken by the police and accordingly, IHFL filed a complaint before the Additional Chief Judicial Magistrate, Patiala House Courts, New Delhi ("**ACJM, Patiala House**") against the Accused for the offenses punishable under Sections 403, 415, 420, 423, 424, 463, 464, 466, 467, 468, 469, 471, 477-A and 120-B of the IPC seeking (i) direction the station house officer, PS, Connaught Place to register FIR and initiate investigation; and (ii) take cognizance of the matter and issue summons to the Accused.

12. IHFL has filed an application under section 156(3) of the CrPC against Sai Power Corporation, Raj Kamal Srivastava and Rashmi Srivastava before the Chief Metropolitan Magistrate, Patiala House Courts, New Delhi for the commission of offenses punishable under Sections 405, 406, 415, 420, 423, 464, 466, 467, 468, 469, 471, 477A and 120-B of the IPC seeking (i) direction the station house officer, Connaught Place Police Station to register a case and initiate investigation; and (ii) take cognizance of the matter and issue summons to the Accused. An application under section 156(3) of the CrPC was dismissed by an order dated February 28, 2020 and the matter was taken up for pre-summoning evidence on July 13, 2020. Through orders dated October 6, 2020 and February 25, 2021, the matter has been listed for pre-summoning evidence on May 5, 2021.

13. Suryachakra Global Enviro Power Limited and others ("**Petitioners**") have on September 23, 2014 filed a writ petition no. 34368 of 2014 before the Hon'ble High Court of Judicature at Hyderabad praying for the issue of the writ of mandamus for quashing the first information report no. 278 dated October 2, 2013 lodged with Udyog Vihar police station, Gurugram by IHFL against Petitioners under Sections 406, 220, 467, 468 and 120-B of the IPC for disclosing manipulated accounts for availing of loan from IHFL and non-repayment of the loan. The matter is currently pending adjudication.

14. Raghani Property Holdings Private Limited (the "**Complainant**"), filed a criminal complaint dated April 19, 2017, under Sections 406,409,420 and 506 read with Sections 34 and 120B of the Indian Penal Code, 1860, before the Court of the Metropolitan Magistrate, Calcutta ("**Court**") against Lucina Land Development Limited, IHFL and directors of IHFL viz. Mr. Sameer Gehlaut, Mr. Labh Singh Sitara, Mr. Gagan Banga, Mr. Prem Prakash Mirdha, Mr. Samesher Singh Ahlawat, Mr. Sachin Chaudhary, Mr. Ajit Kumar Mittal, Mr. Ashwini Omprakash Kumar, Mr. Kamlesh Shailesh Chandra Chakraborty, Mr. Manjari Ashok Kacker

and others(collectively, the "**Respondents**"). The Complainant has alleged that the Respondents have entered into criminal conspiracy and have cheated the Complainant. The Complainant has also alleged that the Respondents have engaged in an 'Interest Subvention Scheme' inducing proposed buyers of housing units in their project to avail financial support from them. On April 25, 2017, the Court issued summons against Respondents. IHFL and its directors filed an application under Section 397/401 read with Section 482 of Criminal Procedure Code, 1973 for quashing of the proceedings. Accordingly the proceeding pending before the Court qua the Respondents were stayed for a period of six weeks and the Respondents have also been given a liberty to seek extension of the stay of the proceedings from time to time. The matter is currently pending hearing.

15. Om Pratap Singh (the "**Petitioner**") has approached the High Court of Haryana and Punjab under a criminal petition bearing number CRM-M-31714-2017 alleging that the respondents-complainant has filed a first information report with the police against the Petitioner despite offering to repay the borrowed funds. The High Court of Haryana and Punjab passed an interim order dated August 29, 2017 wherein no coercive action should be taken against the Petitioner. Matter is listed on July 15, 2021.

16. The Enforcement Directorate had provisionally attached the property being 40, Amrita Shergil Marg, New Delhi vide PAO Order No. 6/2020 on July 9, 2020 to the tune of ₹ 307 crores Thereafter, Enforcement Directorate had filed a complaint bearing no. 1329 of 2020 on August 7, 2020 before the Adjudicating Authority in relation to the above said PAO. The Adjudicating Authority issued an order dated January 1, 2021 under Section 8(3) of the PMLA in the said complaint confirming the attachment of the property. The property i.e., 40, Amrita Shergill Marg along with is, *inter alia*, mortgaged with Indiabulls Housing Finance Ltd. in 8 loan accounts for loans of₹ 685 crores. Indiabulls Housing Finance Ltd. has challenged the said order by filing an appeal bearing No. FPA-PMLA-3877/MUM/2021 before the Appellate Authority, New Delhi on January 21, 2021 and the same is listed for hearing on February 15, 2021. The appeal has been filed, *inter alia,* on the grounds that the property is mortgaged with IHFL, no notice was ever issued to IHFL and by virtue Section 26 C and E of SARFAESI Act , IHFL has prior right over the property.

17. The Enforcement Directorate has provisionally attached the properties being Khurshedabad, S.K. Barodawala Marg, Cumbala Hill, Mumbai-26 and Unit Nos. 4, 5 and 6, Sesen 29, Napean Sea Road, Mumbai-06 vide Provisional Attachment Order (PAO) no. 04/2020 dated July 9, 2020. The ED thereafter filed an Original complaint bearing No. 1327 of 2020 before the Ld. Adjudicating Authority under PMLA, New Delhi. IHFL has filed applications for impleadment and reply/objection in the above said complaint. The applications have been filed, *inter alia*, on the grounds that the property is mortgaged with IHFL, and by virtue Section 26 C and E of SARFAESI Act, IHFL has prior right over the property. Arguments heard and reserved for orders.

18. IHFL has filed complaint under Sections 499, 500, 501 and 502 of the Indian Penal Code, 1860 against the Caravan Magazine and Chief Executive Editor and Editor of the Caravan Magazine as the accused persons in connivance of each other, have published libelous content by way of an article titled as "New affidavit in Indiabulls case accused Yes Bank of dubious loans of thousand crores" in the magazine on November 25, 2019 to cause defamation to IHFL. The complaint case is pending before the Ld. Metropolitan Magistrate, Patiala House Courts, New Delhi for recording the evidence of witnesses.

III. Involving our Directors

1. **Mr. Shamsher Singh Ahlawat and Mr. Prem Prakash Mirdha**

   a. For details in relation to complaints filed against Mr. Shamsher Singh Ahlawat and Mr. Prem Prakash Mirdha, please see "- *Criminal cases involving our Promoters*" on page 178 of this Draft Shelf Prospectus.

2. **Mr. Ajit Kumar Mittal**

   b. For details in relation to complaints filed by Raghani Property Holdings Private Limited and Ms. Manisha Rajgaria against Mr. Ajit Kumar Mittal, please see "- *Criminal cases involving our Promoters*" on page 178 of this Draft Shelf Prospectus.

IV. Involving our Subsidiary

Nil

V. Involving Sameer Gehlaut, promoter of our Promoter Indiabulls Housing Finance Limited

A. Criminal cases

1. For details in relation to complaints filed by Ramesh Kumar Gupta against Mr. Sameer Gehlaut and Mr. Gagan Banga, please see "- *Criminal cases involving our Promoters*" on page 178 of this Draft Shelf Prospectus.

2. For details in relation to complaints filed by Raghani Property Holdings Private Limited and Ms. Manisha Rajgaria against Mr. Sameer Gehlaut, please see "- *Criminal cases involving our Promoters*" on page 178 of this Draft Shelf Prospectus.

Other than as mentioned below, there are no litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last five years immediately preceding the year of the issue of this Draft Shelf Prospectus and that there have been no direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action:

IHFL has paid a sum of ₹14,39,900 to SEBI for settlement of notice dated July 18, 2016 received under Rule 4 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 1995 by IHFL in relation to certain irregularities with the filing of shareholding patterns by IHFL (between 2010 and 2012) with the stock exchanges pursuant to the erstwhile equity listing agreement that all listed entities in India were required to enter into with the stock exchanges.

Details of acts of material frauds committed against our Company in the last five years, if any, and if so, the action taken by our Company

Particulars	April 1, 2020 to December 31, 2020	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Nature of Frauds	NIL	1	Nil	Nil	Nil	Nil
Aggregate amount involved (₹in lakhs)	0	₹ 505 lakhs (POS is nil; Property auctioned and amount recovered)	0	0	0	0
Corrective actions taken by the Company	NA	FIR registered vide FIR no 79/20 and pending for investigation	NA	NA	NA	NA

Save as disclosed in this Draft Shelf Prospectus, there are no:

1. inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies' law in the last five years immediately preceding the year of issue of this Draft Shelf Prospectus against our Company and Subsidiary;

2. pending litigation involving our Company, Promoter, Directors, Subsidiary, Group Companies or any other person, whose outcome could have material adverse effect on the position of our Company; and

3. pending proceedings initiated against our Company for economic offences.

4. outstanding defaults in the payment of statutory dues.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

At the meeting of the Board of Directors of our Company, held on January 10, 2019, the Directors approved the issue of NCDs to the public. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders at the extraordinary general meeting of our Company held on August 1, 2018.

Prohibition by SEBI/ Eligibility of our Company to come out with the Issue

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

Wilful Defaulter

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

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

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, EDELWEISS FINANCIAL SERVICES LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•] WHICH READS AS FOLLOWS:

1. **WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTERS OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY THE BOARD. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT SHELF PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
2. **WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE DRAFT SHELF PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUE OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THE ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE WILL BE GIVEN.**
3. **WE CONFIRM THAT THE DRAFT 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 AND TO THE EXTENT NOTIFIED, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.
5. WE CONFIRM THAT ALL COMMENTS/ COMPLAINTS RECEIVED ON THE DRAFT SHELF PROSPECTUS FILED ON THE WEBSITE OF BSE AND NSE WILL BE SUITABLY ADDRESSED.

Disclaimer Clause of NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN *VIDE* ITS LETTER REF.: [•] DATED [•] 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 DRAFT 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.

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN *VIDE* ITS LETTER DATED [•], 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 DRAFT 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 the RBI

THE COMPANY HAS OBTAINED A CERTIFICATE OF REGISTRATION DATED APRIL 16, 2015 BEARING REGISTRATION NO. N -14.03136 ISSUED BY THE RBI TO CARRY ON THE ACTIVITIES OF AN NBFC UNDER SECTION 45 IA OF THE RBI ACT, 1934. HOWEVER, A COPY OF THIS DRAFT SHELF PROSPECTUS HAS NOT BEEN FILED WITH OR SUBMITTED TO THE RESERVE BANK OF INDIA ("RBI"). IT IS DISTINCTLY UNDERSTOOD THAT THIS DRAFT SHELF PROSPECTUS SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO BE APPROVED OR VETTED BY RBI. RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE ISSUER OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE ISSUER AND FOR DISCHARGE OF LIABILITY BY THE ISSUER. BY ISSUING THE AFORESAID CERTIFICATE OF REGISTRATION DATED APRIL 16, 2015 TO THE ISSUER, RBI NEITHER ACCEPTS ANY RESPONSIBILITY NOR GUARANTEE FOR THE PAYMENT OF ANY AMOUNT DUE TO ANY INVESTOR IN RESPECT OF THE PROPOSED NCDS.

Disclaimer in Respect of Jurisdiction

THE ISSUE IS BEING MADE IN INDIA, TO INVESTORS FROM CATEGORY I, CATEGORY II, CATEGORY III AND CATEGORY IV. THIS DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RESPECTIVE TRANCHE PROSPECTUS WILL NOT, HOWEVER CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE FOR THE NCDS OFFERED HEREBY IN ANY JURISDICTION OTHER THAN INDIA TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY PERSON INTO WHOSE POSSESSION THIS DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS AND THE RESPECTIVE TRANCHE PROSPECTUS COMES IS REQUIRED TO INFORM HIMSELF OR HERSELF ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS.

Track record of past public issues handled by the Lead Manager

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

Name of Lead Manager	Website
Edelweiss Financial Services Limited	www.edelweissfin.com

Listing

The NCDs proposed to be offered through this Issue are proposed to be listed on BSE and NSE. An application has been made to the BSE and NSE for permission to deal in and for an official quotation of our NCDs. BSE has been appointed as the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our NCDs are not granted by the BSE and NSE, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Draft Shelf Prospectus, Shelf Prospectus and respective Tranche Prospectus.

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

For the avoidance of doubt, it is hereby clarified that in the event of under subscription to any one or more of the series, such NCDs with series shall not be listed.

Our Company shall pay interest at 15% (fifteen) per annum if Allotment is not made and refund orders/allotment letters are not dispatched and/or demat credits are not made to investors within 6 Working Days of the Issue Closing Date or date of refusal of the Stock Exchange(s), whichever is earlier. In case listing permission is not granted by the Stock Exchange(s) to our Company and if such money is not repaid within the day our Company becomes liable to repay it on such account, our Company and every officer in default shall, on and from expiry of 8 days, be liable to repay the money with interest at the rate of 15% as prescribed under Rule 3 of Companies

(Prospectus and Allotment of Securities) Rules, 2014 read with Section 26 of the 2013 Act, provided that the beneficiary particulars relating to such Applicants as given by the Applicants is valid at the time of the upload of the demat credit.

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer, (c) Bankers to our Company, (d) Lead Manager, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) Credit Rating Agencies, (h) CRISIL for use of their report titled 'CRISIL Research – NBFC Report 2020 released in Mumbai in December 2020' (i) the Debenture Trustee, (j) Chief Financial Officer, (k) Public Issue Account Bank*, (l) Refund Bank*, Sponsor Bank*, Lead Brokers / Consortium Members* have been or will be duly obtained from them and the same will be filed along with a copy of this Draft Shelf Prospectus, Shelf Prospectus and Tranche Prospectus with the ROC as required under Section 26 of the Companies Act, 2013 and such consents have not been withdrawn up to the time of delivery of this Draft Shelf Prospectus with the Stock Exchange.
**The consents will be procured at respective Tranche Issue stage.*

The consent of the Statutory Auditor of our Company, namely Ajay Sardana Associates, Chartered Accountants, for (a) inclusion of their name as the Statutory Auditor; (b) reports on Reformatted Financial Statements and (c) opinion on Limited Review Financial Statements in the form and context in which they appear in this Draft Shelf Prospectus have been obtained and it has not withdrawn such consent and the same will be filed with the ROC.

The consent of the tax auditors of our Company, namely A Sardana & Co., for inclusion of statement of tax benefits dated March 31, 2021, issued by them, in this Draft Shelf Prospectus have been obtained and it has not withdrawn such consent and the same will be filed with the ROC.

Expert Opinion

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

1. Our Company has received consent from its Statutory Auditor, namely, Ajay Sardana Associates, Chartered Accountants, to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 and as "Expert" as defined under Section 2(38) of the Companies Act, 2013 in this Draft Shelf Prospectus in respect of the reports of the Auditors dated March 31, 2021 included in this Draft Shelf Prospectus and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus.

2. Our Company has received consent from A Sardana & Co., to include their name as required under Section 26 (1) (v) of the Companies Act, 2013 and as "Expert" as defined under Section 2(38) of the Companies Act, 2013 in this Draft Shelf Prospectus in respect of statement of tax benefits dated March 31, 2021 included in this Draft Shelf Prospectus and such consent has not been withdrawn as on the date of this Draft Shelf Prospectus.

Common form of Transfer

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

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue i.e. ₹ 1,000 crores. If our Company does not receive the minimum subscription of 75% of the Base Issue i.e. ₹ 1,000 crores, prior to the Issue Closing Date, the entire subscription amount shall be unblocked in the Applicants ASBA Account within 6 working days from the date of closure of the Issue. The refunded subscription amount shall be credited only to the account from which the relevant subscription amount was remitted In the event, there is a delay, by the our Company in unblocking the aforesaid ASBA Account within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013, circular no. SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 ("**UPI Mechanism Circular**") and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018..

Filing of the Draft Shelf Prospectus

A copy of the Draft Shelf Prospectus has to be filed with the Stock Exchanges in terms of SEBI Debt Regulations for dissemination on their website.

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

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

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital and Debentures) Rules 2014, read with Rule 16 of the SEBI Debt Regulations, any non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Financial Year 2019-20 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Draft Shelf Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 3lst day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

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

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

Issue Related Expenses

The expenses of this Issue include, *inter alia*, lead management fees and selling commission to the Lead Manager, Consortium Members, fees payable to debenture trustees, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Issue expenses and listing fees will be paid by our Company. The estimated break-up of the total expenses shall be as specified in the Shelf Prospectus and Tranche I Prospectus. For further details see, "*Objects to the Issue*" on page 65 of this Draft Shelf Prospectus.

Reservation

No portion of this Issue has been reserved.

Details of previous Issues

Other than as disclosed below, our Company has not made any rights issue of Equity Shares in the last five years:

Date of allotment	Number of equity shares allotted	Face value per equity share (₹)	Premium per equity share (₹)	Issue price per equity share (₹)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Equity Share Capital (₹)	Nature of Allotment*
October 31, 2017	7,400,285	10	125.13	135.13	Cash	50,226,573	50,22,65,730	Rights Issue
March 22, 2018	1,03,44,828	10	135	145	Cash	6,05,71,401	60,57,14,010	Rights Issue
June 20, 2018	4,70,77,923	10	144	154	Cash	10,76,49,324	1,07,64,93,240	Rights Issue
February 22, 2019	11,76,50,000	10	160	170	Cash	11,76,50,000	1,17,65,00,000	Rights Issue
March 25, 2019	2,25,00,000	10	80	90	Cash	24,77,99,324	2,47,79,93,240	Allotment pursuant to conversion of preference shares into Equity Shares

**Note: Our Company has utilized the proceeds of the rights issue in line with the objects for which such rights issue funds were raised.*

Our Company has not made any rights issue of Preference Shares in the last five years:

Our Company has made a public issuance of 2,00,00,000 secured redeemable non-convertible debentures of the face value of ₹ 1,000 amounting to ₹ 2,000 crore, of which ₹ 1991.17 crore (as per Ind AS) is outstanding as of December 31, 2020, the details of which are set forth further below:

Date of Opening	September 11, 2018	
Date of closing	September 14, 2018*	
Total issue size	₹ 2,000 crores	
Total value of NCDs allotted	₹ 2,000 crores	
Date of allotment(s)	September 25, 2018	
Objects of the Issue (as per the prospectus)	**Object**	**Object % of amount proposed to be**
	For the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company	At least 75%
	General corporate purposes	Maximum up to 25%
Net utilization of Issue proceeds	Fully utilized in accordance with the objects of the issue	

***Pursuant to resolution of the bond issue committee of the Company dated September 12, 2018, the issue was closed on September 14, 2018.*

Other than as mentioned above, our Company has raised funds for augmenting its capital adequacy requirements, long-term resources for meeting funding requirements for its business purposes and for general corporate purposes by way of private placement of debentures in the last three years. The funds have been fully utilized in accordance with the objects of the above mentioned issuance of debentures on private placement basis and issuance of Equity Shares and Preference Shares on rights issue basis.

Benefit/ interest accruing to Promoters/ Directors out of the object of the Issue

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

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

Nil

Details regarding the previous issues of the Group Companies

Indiabulls Housing Finance Limited:

<table>
<tr><td>Date of Opening</td><td colspan="2">September 15, 2016</td></tr>
<tr><td>Scheduled closing date</td><td colspan="2">September 23, 2016</td></tr>
<tr><td>Actual date of closing</td><td colspan="2">September 16, 2016*</td></tr>
<tr><td>Total issue size</td><td colspan="2">₹ 7000 crores</td></tr>
<tr><td>Date of allotment</td><td colspan="2">September 26, 2016</td></tr>
<tr><td rowspan="3">Objects of the issue (as per the prospectus)</td><td>Object</td><td>Object % of amount proposed to be</td></tr>
<tr><td>Onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company</td><td>At least 75%</td></tr>
<tr><td>General Corporate Purposes</td><td>Maximum of up to 25%</td></tr>
<tr><td>Net utilization of issue proceeds</td><td colspan="2">Fully utilized in accordance with the objects of the issue.</td></tr>
</table>

***Pursuant to resolution of the bond issue committee of Indiabulls Housing Finance Limited dated September 15, 2016, the issue was closed on September 16, 2016.*

Other than as mentioned above, IHFL has raised funds for augmenting its capital adequacy requirements, long-term resources for meeting funding requirements for its business purposes and for general corporate purposes by way of private placement of debentures, foreign currency convertible bonds and qualified institutions placement of equity shares in the last three years. The funds have been fully utilized in accordance with the objects of the above mentioned issuance of debentures and equity shares on private placement basis.

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

As on December 31, 2020, our Company has listed rated/unrated, secured/unsecured, non-convertible redeemable debentures and listed subordinated debt. For further details, please see "*Financial Indebtedness*" on page 155.

Dividend

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

Our Company has not declared any dividend on the Equity Shares for the Fiscal 2020, Fiscal 2019, Fiscal 2018, Fiscal 2017 and Fiscal 2016.

The following table states the details of the provision for dividend made by our Company on the 10% cumulative compulsorily convertible preference shares of our Company ("**Preference Shares**") for the Fiscal 2018, Fiscal 2017 and Fiscal 2016:

Particulars	**Fiscal 2018**	**Fiscal 2017**	**Fiscal 2016**
Preference Share Capital (₹ in crores)	22.50	22.50	22.50
Face Value Per Preference Share	2.25	2.25	2.25
Provision for dividend on Preference Shares for the year (₹ in crores) *	10.00	10.00	10.00
Dividend Rate (In %)	10%	10%	10%
Dividend per share (Rs.)	1.00	1.00	1.00

**In accordance with the terms of the issuance of Preference Shares, the Company has only made provision for dividend and has not declared and paid dividend on the Preference Shares.*

Revaluation of assets

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

Mechanism for redressal of investor grievances

The Registrar Agreement dated March 30, 2021 between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least three years from the last date of dispatch of the Allotment Advice, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the bank branch or collection center where the application was submitted.

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 application 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.

The contact details of Registrar to the Issue are as follows:

Selenium, Tower B, Plot No – 31 & 32,
Financial District, Nanakramguda, Serilingampally
Hyderabad Rangareddy, Telangana– 500 032
Telephone No.: +91 40 6716 2222
Facsimile No.: +91 40 2343 1551
Toll free number: 18003454001
Email: iccl.ncdipo@kfintech.com
Investor Grievance Email: einward.ris@kfintech.com
Website: www.kfintech.com
Contact Person: Mr. M Murali Krishna
SEBI Registration Number: INR000000221
CIN: U72400TG2017PTC117649

The Registrar shall endeavour to redress complaints of the investors within three (3) days of receipt of the complaint during the currency of this MoU and continue to do so during the period it is required to maintain records under the RTA Regulations and our Company shall extend necessary co-operation to the Registrar for its complying with the said regulations. However, the Registrar shall ensure that the time taken to redress investor complaints does not exceed fifteen (15) days from the date of receipt of complaint. The Registrar shall provide a status report of investor complaints and grievances on a fortnightly basis to our Company. Similar status reports should also be provided to our Company as and when required by our Company.

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

Mr. Ajit Kumar Singh
Company Secretary and Compliance Officer
Indiabulls House
448-451, Udyog Vihar
Phase - V
Gurugram - 122 016
Haryana
Telephone No.: + 91 124 668 1199
Facsimile No.: + 91 124 668 1240
Email: ajisingh@indiabulls.com

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

Change in Auditors of our Company during the last three years

There has been no change(s) in the Statutory Auditor of our Company in the last 3 (three) Fiscals preceding the date of this Draft Shelf Prospectus.

Auditor Remarks

There have been no reservations or qualifications or adverse remarks of auditors in respect of our Financial Statements in the last five financial years from the date of this Draft Shelf Prospectus. For details in relation to emphasis of matter, please see "*Financial Statements*" on page 149 of this Draft Shelf Prospectus.

Details regarding lending out of Issue proceeds and loans advanced by the Company

A. ***Lending Policy***

Please see "*Our Business*" at page 92 of this Draft Shelf Prospectus.

B. ***Loans given by the Company***

Loans/advances to associates, entities/persons relating to Board, senior management or Promoter or group entities out of the proceeds of previous issues:

Not Applicable

C. ***Types of loans***

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

S. No	Type of Borrowings		Amount (₹ in crores)	Percentage
1	Secured		9,685.97	80.89%
2	Unsecured		2,288.29	19.11%
		Total	**11,974.26**	**100.00%**

- Denomination of loans outstanding by ticket size* as on March 31, 2020 are as follows:

S. No.	Ticket size	Percentage of Loan Book (in %)
1	Up to ₹1 Cr	21.0
2	1 Cr – 5 Cr	8.2
3	₹5-25 Cr	9.5
4	₹25-75 Cr	22.5
5	More than 75 Cr	38.8
		100.0

- Denomination of loans outstanding by LTV* as on March 31, 2020 are as follows:

S. No	LTV	Percentage of AUM
1	Below 40	29.3
2	40-50%	11.3
3	50-60%	18.6
4	60-70%	25.4
5	70-80%	15.2
6	>80%	0.2
	Total	**100.0**

** LTV at the time of origination*.

- Geographical classification of borrowers as on March 31, 2020 is as follows:

Sr. No.	Regions	Percentage of AUM
1	Maharashtra	20.5
2	NCR	13.7
3	Gujarat	10.4
4	Karnataka	9.1
5	Rajasthan	6.6
	Total	60.3

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

Sr. No.	Segment wise breakup of loan book	Percentage of loan book
1	CRE - Residential Housing	27.9
2	Residential Mortgages and Others	72.1
	Total	100%

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

Period	Amount (₹ in crores)
1 to 7 days	256.39
8 to 14 days	24.95
15 days to 30 /31 days	90.03
Over one month to 2 months	350.56
Over 2 months to 3 months	429.40
Over 3 months to 6 months	751.26
Over 6 months to 1 year	1,947.42
Over 1 year to 3 years	5,284.01
Over 3 years to 5 years	2,996.18
Over 5 years	726.66
Total	**12,856.86**

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

	Amount (₹ in crores)
Total Advances to twenty largest borrowers	3,188.50
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	26.97%

*E. **Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2020***

	Amount (₹ in crores)
Total Exposures to twenty largest borrowers/Customers	3,188.50
Percentage of Exposures to twenty largest borrowers/Customers to Total Advances of the NBFC on borrowers/Customers	26.87%

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

Movement of gross NPAs	Amount (₹ in crores)
(a) Opening balance	197.00
(b) Additions during the year	988.16
(c) Reductions during the year	837.79
(d) closing balance	347.37

Movement of provisions for NPAs (excluding provisions on standard assets)	Amount (₹ in crores)
(a) Opening balance	48.35
(b) Additions during the year	28.31
(c) Reductions during the year	-
(d) closing balance	76.65

*G. **Segment –wise gross NPA as on March 31, 2020***

S. No	Segment- wise breakup of gross NPAs	Gross NPA (%)
1	CRE - Residential Housing	6.86
2	Residential Mortgages and Others	1.42
	Total Loans	2.94

*H. **Classification of borrowings as on March 31, 2020***

S. No	Type of Borrowings	Amount (₹ in crores)	Percentage
1	Secured	8,376.87	94.35%
2	Unsecured	501.19	5.65%
	Total	**8,878.06**	**100.00%**

I. *Promoter Shareholding*

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

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

(₹ in crores)

	1 to 30/31 days (one month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	over 3 to 5 years	s	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	540.50	855.92	544.23	732.90	1,549.00	5,094.50	3,029.57	1,267.66	13,614.27
Investments	25.38	-	-	1.51	31.66	914.89	-	18.74	992.17
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Borrowings	372.98	25.73	222.05	252.70	3,444.91	2,999.41	646.83	425.94	8,390.54
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

Pre-Issue Advertisement

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

Auditors' Remarks

Other than as disclosed in the chapter titled "*Risk Factors*", on page of this Draft Shelf Prospectus, there are no reservations or qualifications or adverse remarks in the financial statements of our company in the last five financial years immediately preceding this Draft Shelf Prospectus.

Trading

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

Caution

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

"Any person who: (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the Companies Act, 2013".

SECTION VII- ISSUE RELATED INFORMATION

ISSUE STRUCTURE

The following are the key terms of the NCDs. This chapter should be read in conjunction with and is qualified in its entirety by more detailed information in "*Terms of the Issue*" on page 201 of this Draft Shelf Prospectus.

The NCDs being offered as part of the 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 this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus for each Tranche Issue, 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:

Issuer	Indiabulls Commercial Credit Limited
Type of instrument/ Name of the security/ Seniority	Secured Redeemable Non-Convertible Debentures
Nature of the instrument	Secured Redeemable Non-Convertible Debenture
Mode of the issue	Public issue
Eligible investors	Please see "*Issue Procedure – Who can apply?*" on page 217
Listing	The NCDs are proposed to be listed on NSE and BSE. The NCDs shall be listed within six Working Days from the date of Issue Closure. For more information see "*Other Regulatory and Statutory Disclosures*" on page 185
Credit ratings	CARE AA; Negative (Double A; Outlook: Negative) for an amount of ₹ 1,000 crores, by CARE Ratings Limited; BWR AA+/Negative for an amount of ₹ 1,000 crores, by Brickworks Ratings India Private Limited
Issue Size	As specified in the relevant Tranche Prospectus for each Tranche Issue
Option to retain Oversubscription Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Objects of the Issue	Please see "*Objects of the Issue*" on page 65
Details of utilization of the proceeds	Please see "*Objects of the Issue*" on page 65
Lead Manager	Edelweiss Financial Services Limited
Debenture Trustee	Beacon Trusteeship Limited
Market Lot/ Trading Lot	One NCD
Registrar	KFIN Technologies Private Limited
Issue	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest rate for each category of investors	As specified in the relevant Tranche Prospectus for each Tranche Issue
Step up/ Step down interest rates	As specified in the relevant Tranche Prospectus for each Tranche Issue
Frequency of interest payment	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest payment date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest type	As specified in the relevant Tranche Prospectus for each Tranche Issue
Interest reset process	As specified in the relevant Tranche Prospectus for each Tranche Issue
Day count basis	Actual/ Actual
Interest on application money	Please see "*Terms of the Issue*" on page 201
Default interest rate	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deed, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws
Tenor	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption Date	As specified in the relevant Tranche Prospectus for each Tranche Issue

Redemption Amount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Redemption premium/ discount	As specified in the relevant Tranche Prospectus for each Tranche Issue
Issue Price (in ₹)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Discount at which security is issued and the effective yield as a result of such discount.	As specified in the relevant Tranche Prospectus for each Tranche Issue
Put option date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Put option price	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call option date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call option price	As specified in the relevant Tranche Prospectus for each Tranche Issue
Put notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue
Call notification time	As specified in the relevant Tranche Prospectus for each Tranche Issue
Face value	₹ 1,000 per NCD
Minimum Application size and in multiples of NCD thereafter	As specified in the relevant Tranche Prospectus for each Tranche Issue
Issue opening date	As specified in the relevant Tranche Prospectus for each Tranche Issue
Issue closing date**	As specified in the relevant Tranche Prospectus for each Tranche Issue
Pay-in date	Application Date. The entire Application Amount is payable on Application
Modes of payment	Please see *"Issue Procedure – Terms of Payment*" on page 234
Deemed date of Allotment	The date on which the Board or the Bond Issue Committee approves the Allotment of the NCDs for each Tranche Issue or such date as may be determined by the Board of Directors or the Bond Issue Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to NCD Holders from the Deemed Date of Allotment.
Issuance mode of the instrument	Demat only*
Trading mode of the instrument	In dematerialised form only
Mode of settlement	As specified in the relevant Tranche Prospectus for each Tranche Issue
Depositories	NSDL and CDSL
Working day convention/ Effect of holidays on payment	Working Day means all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to 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 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, as per SEBI circular CIR/DDHS/P/121/2018 dated August 16, 2018, however, with reference to payment of interest/redemption of NCDs, Working Days shall mean those days wherein the money market is functioning in Mumbai. If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (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 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. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.
Record date	15 (fifteen) days prior to the relevant Interest Payment Date, relevant

	Redemption Date for NCDs issued under the relevant Tranche Prospectus. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the record date and the date of redemption. In event the Record Date falls on a Sunday or holiday of Depositories, the succeeding working day or a date notified by the Company to the Stock Exchanges shall be considered as Record Date
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Asset cover and 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 to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Information Memorandum.	The NCDs proposed to be issued will be secured by a first ranking *pari passu* charge on present and future receivables and current assets of the Issuer for the principal amount and accrued interest thereon as specifically set out in and fully described in the Debenture Trust Deed. The NCDs will have a minimum asset cover of one time on the principal amount and interest thereon. The Issuer reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a charge on *pari passu* or exclusive basis thereon for its present and future financial requirements, provided that a minimum-security cover of one time on the principal amount and accrued interest thereon, is maintained, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection. However, if consent and/or intimation is required under applicable law, then the Company shall obtain such consents and/ or intimation in accordance with such law. 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. NCDs shall be considered as secured only if the charged asset is registered with sub-registrar and RoC or CERSAI or Depository etc., as applicable, or is independently verifiable by the debenture trustee. Without prejudice to the aforesaid, in the event our 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, our Company shall also pay interest of at least 2% (two per cent.) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the relevant Tranche Prospectus, till the execution of the Debenture Trust Deed. For further details on date of creation of security/likely date of creation of security, minimum security cover etc., please refer to the "*Terms of the Issue – Security*" on page 201 of this Draft Shelf Prospectus.
Issue documents	The Draft Shelf Prospectus, the Shelf Prospectus, the Tranche Prospectus read with any notices, corrigenda, addenda thereto, the Debenture Trust Deed and other documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Manager and/or other intermediaries for the purpose of this Issue including but not limited to the Issue Agreement, Debenture Trust Deed, the Debenture Trustee Agreement, the Tripartite Agreements, the Registrar Agreement. For further details, see "*Material Contracts and Documents for Inspection*" on page 268.
Conditions precedent to disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedent to disbursement.
Conditions subsequent to disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions subsequent to disbursement.
Events of default / cross default (including manner of voting/conditions of joining Inter Creditor Agreement)	Please see "*Terms of the Issue – Events of Default*" on page 203.
Creation of recovery expense fund	Our Company undertakes to create a recovery expense fund in the manner as maybe specified by SEBI from time to time and inform the Debenture Trustee regarding the creation of such fund. The recovery expense fund may be utilised by Debenture Trustee, in the event of default by 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)	As specified in the relevant Tranche Prospectus for each Tranche Issue
Provisions related to Cross Default Clause	N/A (Not Applicable)
Roles and responsibilities of the Debenture Trustee	Please see "*Terms of the Issue – Trustees for the NCD Holders*" on page 203 of this Draft Shelf Prospectus.
Risk factors pertaining to the issue	Please see "*Risk Factors*" on page 17
Governing law and jurisdiction	The governing law and jurisdiction for the purpose of the Issue shall be Indian law, and the competent courts of jurisdiction in New Delhi, India, respectively.
Lock-in	As specified in the relevant Tranche Prospectus for each Tranche Issue

** In terms of Regulation 4(2)(d) of the SEBI Debt Regulations, our Company will undertake this public issue of the NCDs in dematerialised form. 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 fulfil such request. However, trading in NCDs shall be compulsorily in dematerialized form.*

****** *The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or Bond Issue Committee thereof subject to receipt of necessary approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in in all the newspapers in which pre-issue advertisement and advertisement for opening or closure of the Issue have been given on or before such earlier or extended date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by the BSE and NSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date*

While the NCDs are secured to the tune of 100% of the principal and interest amount or as per the terms of offer document, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained and the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

The specific terms of each instrument to be issued pursuant to a Tranche Issue shall be as set out in the relevant Tranche Prospectus.

Please see "Issue Procedure" on page 216 for details of category wise eligibility and allotment in the Issue

SPECIFIC TERMS OF NCDs

As specified in the relevant Tranche Prospectus for each Tranche Issue.

Terms of payment

The entire face value per NCDs is payable on application (except in case of ASBA Applicants). In case of ASBA Applicants, 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 number of NCDs than applied for, our Company shall refund the amount paid on application to the Applicant, in accordance with the terms of this Draft Shelf Prospectus, the Shelf Prospectus and the respective Tranche Prospectus.

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

The 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 Draft Shelf 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 (in case of Applicants applying for Allotment of the NCDs in dematerialized form) 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.

For further details, please see "*Issue Procedure*" on page 216 of this Draft Shelf Prospectus.

TERMS OF THE ISSUE

Authority for the Issue

This Issue has been authorized by the Board of Directors of our Company pursuant to a resolution passed at their meeting held on January 10, 2019. Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders' *vide* their resolution approved at the extraordinary general meeting dated August 1, 2018.

Principal Terms and Conditions of this Issue

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

Ranking of NCDs

The NCDs would constitute secured and senior obligations of our Company and shall be first ranking *pari passu* with the existing secured creditors on all loans and advances/ book debts/ receivables, both present and future, of our Company equal to the value of a minimum one time of the debentures outstanding plus interest accrued thereon, and subject to any obligations under applicable statutory and/or regulatory requirements. The NCDs proposed to be issued under the Issue and all earlier issues of secured debentures outstanding in the books of our Company, shall be first ranking *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption. Our Company confirms that all permissions and/or consents for creation of a *pari passu* charge on the book debts/ loans and advances/ receivables, both present and future as stated above, have been obtained from all relevant creditors, lenders and debenture trustees of our Company, who have an existing charge over the above mentioned assets,. Our Company may, subject to applicable RBI requirements and other applicable statutory and/or regulatory provisions, treat the NCDs as Tier I capital.

Our Company is required to obtain permissions or consents from the prior creditors for proceeding with this Issue. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020, our Company undertakes, inter alia, that the assets on which charge is created are already charged, the permissions or consent to create *pari passu* charge on the assets of the Company have been obtained from the earlier creditors.

Security

The NCDs proposed to be issued will be secured by a first ranking *pari passu* charge on present and future receivables and current assets of the Issuer for the principal amount and accrued interest thereon as specifically set out in and fully described in the Debenture Trust Deed. The NCDs will have a security cover of minimum one time on the principal amount and interest thereon. The Issuer reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a charge on pari passu or exclusive basis thereon for its present and future financial requirements, provided that a minimum-security cover of one time on the principal amount and accrued interest thereon, is maintained, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection. However, if consent and/or intimation is required under applicable law, then the Company shall obtain such consents and/ or intimation in accordance with such law. 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.

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

Pursuant to the SEBI Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020, our Company has entered into the Debenture Trusteeship Agreement with the Debenture Trustee and proposes to complete the execution of the Debenture Trust Deed before making the application for listing of the NCDs for the benefit of the NCD Holders, the terms of which shall govern the appointment of the Debenture Trustee and the issue of the NCDs.

Without prejudice to the aforesaid, in the event our 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, our Company shall also pay interest of at least 2% (two per cent.) per annum to the NCD holders, over and above the interest rate on the NCDs specified in the relevant Tranche Prospectus, till the execution of the Debenture Trust Deed.

Other confirmations by the Debenture Trustee

The Debenture Trustee has agreed for a lumpsum fee amounting to ₹ 2,00,000 and annual charges of ₹2,00,000 (plus the applicable taxes) for the services as agreed in terms of the engagement/appointment/fee letter dated March 25, 2021.

BEACON TRUSTEESHIP LIMITED WILL FURNISH TO RegisSTOCK EXCHANGES A DUE DILIGENCE CERTIFICATE, AS PER THE FORMAT SPECIFIED IN ANNEXURE A TO THE SEBI Circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 3, 2020 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 NCDs 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 NCDs.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in the offer document and all disclosures made in the offer document with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document.

f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

We have satisfied ourselves about the ability of the Issuer to service the NCDs.

Debenture Redemption Reserve

In accordance with recent amendments to the Companies Act, 2013, and the Companies (Share Capital and Debentures) Rules 2014, read with Rule 16 of the SEBI Debt Regulations, any non-banking finance company that intends to issue debentures to the public are no longer required to create a DRR for the purpose of redemption of debentures. The Government, in the union budget for the Financial Year 2019-2020 had announced that non-banking finance companies raising funds in public issues would be exempt from the requirement of creating a DRR.

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Draft Shelf Prospectus, the Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue. The Company shall, as per the Companies (Share Capital and Debentures) Rules 2014 and other laws applicable from time to time, invest or deposit, as the case may be, the applicable amounts, within the specified timelines, in respect of debentures maturing during the year ending on the 3lst day of March of the next year, in any one or more methods of investments or deposits stipulated under the applicable law. Provided that the amount remaining invested or deposited, as the case may be, shall not at any time fall below the specified percentage, which is presently stipulated at 15% (fifteen percent) of the amount of the debentures maturing during the year ending on March 31 of the next year, in any of the following instruments or such other instruments as may be permitted under the applicable laws.

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

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

Face Value

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

Trustees for the NCD Holders

We have appointed Beacon Trusteeship Limited to act as the Debenture Trustee for the NCD Holders in terms of Regulation 4(4) of the Debt Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. We and the Debenture Trustee will execute a Debenture Trust Deed, before making the application for listing of NCDs, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The NCD Holder(s) shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or authorized officials to do all such acts, deeds, matters and things in respect of or relating to the NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the NCD Holder(s). Any payment made by us to the Debenture Trustee on behalf of the NCD Holder(s) shall discharge us *pro tanto* to the NCD Holder(s).

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

Events of Default:

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

(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).

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 of the right to receive the annual reports of our Company and such other rights as may be prescribed under the Companies Act, 2013 and the rules prescribed thereunder and the SEBI Listing Regulations.

Rights of NCD Holders

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

1. The NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Debenture Trust Deed, confer upon the holders thereof any rights or privileges available to our Company's members/shareholders including, without limitation, the right to receive notices

or annual reports of, or to attend and/or vote at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the NCDs is to be placed before the members/shareholders of our Company, the said resolution will first be placed before the concerned registered NCD Holders, for their consideration. In terms of Section 136 (1) of the Companies Act, 2013, holders of NCDs shall be entitled to a copy of the balance sheet and copy of trust deed on a specific request made to our Company.

2. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, including requirements of the RBI, the rights, privileges and conditions attached to the 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. Subject to applicable statutory/regulatory requirements and terms of the Debenture Trust Deed, the registered NCD Holder 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 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 Debt Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of this Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the NCDs.

5. The Depositories shall maintain the up to date record of holders of the NCDs in dematerialized Form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs maintained by a Depository for any NCD in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD holders for this purpose.

6. A register of NCD Holders holding NCDs in physical form pursuant to rematerialisation ("**Register of NCD Holders**") will be maintained in accordance with Section 88 of the Companies Act, 2013 and all interest and principal sums becoming due and payable in respect of the 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 NCD Holders as on the Record Date. For the NCDs issued in dematerialized form, the Depositories shall also maintain the up to date record of holders of the NCDs in dematerialized Form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial of NCDs 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 NCD holders for this purpose.

7. Subject to compliance with RBI requirements, the NCDs can be rolled over only with the consent of the 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 may 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 the Shelf Prospectus, respective Tranche Prospectus(es) and the Debenture Trust Deed.

Nomination facility to NCD Holder

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

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

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

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

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

For all NCDs held in the dematerialized form, nominations registered with the respective Depository Participant of the Applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective Depository Participant in connection with NCDs held in the dematerialized form.

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

Applicants who have opted for rematerialisation of NCDs and are holding the NCDs in the physical form should provide required details in connection with their nominee to our Company.

Jurisdiction

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

Application in the Issue

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

In terms of Regulation 4(2)(d) of SEBI Debt Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in the terms of Section 8(1) of the Depositories Act, our Company at the request of the Investors who wish to hold the NCDs in physical form will rematerialise the NCDs. However, trading of the NCDs shall be compulsorily in dematerialized form only.

Form of Allotment and Denomination of NCDs

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

A successful Applicant can also request for the issue of NCDs certificates in the denomination of 1 (one) NCD at any time post allotment of the NCDs ("**Market Lot**").

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

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

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 NSDL/CDSL and the relevant DPs of the transfer or transferee and any other applicable laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date.

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

Please see "*Issue Structure – Interest rate for each category of investor*" on page 196 of this Draft Shelf Prospectus for the implications on the interest applicable to NCDs held by different category of Investors on the Record Date. Pursuant to the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 ("**SEBI LODR IV Amendment**"), NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Title

The NCD Holder for the time being appearing in the record of beneficial owners maintained by the Depository shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes.

Succession

Where NCDs are held in joint names and one of the joint holders dies, the survivor(s) will be recognized as the NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased NCD Holder after obtaining satisfactory evidence of his death. Provided, a third person may call on our Company to register his name as successor of the deceased NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the debentures. In the event of demise of the sole or first holder of the Debentures, our Company will recognise the executors or administrator of the deceased NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Debentures only if such executor or administrator obtains and produces probate or letter of administration or is the holder of the succession certificate or other legal representation, as the case may be, from an appropriate court in India. The directors of our Company in their absolute discretion may, in any case, dispense with production of probate or letter of administration or succession certificate or other legal representation.

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

1. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the NCDs were acquired by the non-resident Indian as part of the legacy left by the deceased NCD Holder.

2. Proof that the non-resident Indian is an Indian national or is of Indian origin.

3. Such holding by a non-resident Indian will be on a non-repatriation basis.

Joint-holders

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

Procedure for Re-materialization of NCDs

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

Restriction on transfer of NCDs

There are no restrictions on transfers and transmission of NCDs allotted pursuant to this Issue. Pursuant to the SEBI LODR IV Amendment, NCDs held in physical form, pursuant to any rematerialisation, as above, cannot be transferred except by way of transmission or transposition, from December 4, 2018. However, any trading of the NCDs issued pursuant to this Issue shall be compulsorily in dematerialized form only.

Period of Subscription

ISSUE PROGRAMME	
ISSUE OPENS ON	As specified in respective Tranche Prospectus
ISSUE CLOSES ON	As specified in respective Tranche Prospectus

The Issue shall remain open for subscription on Working Days from 10 a.m. to 5 p.m. (Indian Standard Time) during the period indicated in the relevant Tranche Prospectus, except that the Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company or Bond Issue Committee thereof subject to receipt of necessary approvals. In the event of an early closure or extension of the Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier or extended date of Issue closure. On the Issue Closing Date, the Application Forms will be accepted only between 10 a.m. and 3 p.m. (Indian Standard Time) and uploaded until 5 p.m. or such extended time as may be permitted by BSE and NSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 p.m. (Indian Standard Time) on one Working Day post the Issue Closing Date. For further details please refer to the section titled "*Issue Related Information*" on page 196 of this Draft Shelf Prospectus.

Due to limitation of time available for uploading the Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Manager or Trading Members of the Stock Exchanges are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on a date priority basis in accordance with SEBI Circular dated October 29, 2013.

Interest/Premium and Payment of Interest/ Premium

Interest on NCDs

As specified in the Tranche Prospectus.

Payment of Interest

As specified in the Tranche Prospectus.

Taxation

As per clause (ix) of Section 193 of the I.T. Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) 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 financial year. 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 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 financial year during the currency of the NCD to ensure non-deduction or lower deduction of tax at source from interest on the NCD.

Any tax exemption certificate/document, if any, must be lodged at the office of the Registrar at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

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

Day Count Convention

Interest shall be computed on actual/actual basis i.e., on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF/18/2013 dated October 29, 2013 and the SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day (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 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. The interest/redemption payments shall be made only on the days when the money market is functioning in Mumbai.

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

The illustration for guidance in respect of the day count convention and effect of holidays on payments, as required by SEBI Circular No.CIR/IMD/DF/18/2013 dated October 29, 2013 and SEBI Circular No. CIR/IMD/DF-1/122/2016 dated November 11, 2016 will be a disclosed in the relevant Tranche Prospectus for each Tranche Issue.

Application Size

As specified in the relevant Tranche Prospectus.

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

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

Maturity and Redemption

As specified in the relevant Tranche Prospectus.

Put / Call Option

As specified in the relevant Tranche Prospectus.

Terms of Payment

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

Manner of Payment of Interest / Refund / Redemption

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

For NCDs held in physical form on account of rematerialisation

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

For NCDs applied / held in electronic form:

The bank details will be obtained from the Depositories for payment of Interest / refund / redemption as the case may be. Applicants who have applied for or are holding the NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in credit of refunds to the Applicant at the Applicant's sole risk, and the Lead Manager, our Company nor the Registrar to the Issue shall have any responsibility and undertake any liability for the same.

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

1. **Direct Credit**

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

2. **NACH**

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

3. **RTGS**

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

4. **NEFT**

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

5. **Registered Post/Speed Post**

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

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

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

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

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

Printing of Bank Particulars on Interest/ Redemption Warrants

As a matter of precaution against possible fraudulent encashment of refund orders and interest/redemption warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/ warrants. In relation to NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of NCDs held in physical form either on account of rematerialisation or transfer, the investors are advised to submit their bank account details with our Company / Registrar at least 7 (seven) days prior to the Record Date failing which the orders / warrants will be dispatched to the postal address of the holder of the NCDs as available in the records of our Company. Bank account particulars will be printed on the orders/ warrants which can then be deposited only in the account specified.

Loan against NCDs

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

Buy Back of NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of NCDs, upon such terms and conditions as may be decided by our Company.

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

Record Date

15 (fifteen) days prior to the relevant Interest Payment Date, relevant Redemption Date for NCDs issued under the relevant Tranche Prospectus or as may be otherwise prescribed by the Stock Exchanges. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the record date and the date of redemption. In event the Record Date falls on a Sunday or holiday of Depositories, the succeeding working day or a date notified by the Company to the Stock Exchanges shall be considered as Record Date.

Procedure for Redemption by NCD Holders

NCDs held in physical form pursuant to rematerialisation of NCDs:

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

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

NCDs held in electronic form:

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). Despatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

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

Our liability to NCD Holders towards his/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.

**In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹1,837.5, then the amount shall be rounded off to ₹ 1,838.*

Recovery Expense Fund

The Company has created a recovery expense fund and deposited an amount of ₹ 25 lakhs towards recovery expense fund ("**Recovery Expense Fund**"/ "**REF**") with the Designated Stock Exchange in the manner as specified by SEBI from time to time and informed the Debenture Trustee about the same.

The Recovery Expense fund may be utilised by Debenture Trustee, in the event of default by the Company, for taking appropriate legal action to enforce the security.

Issue of Duplicate NCD Certificate(s)

If any NCD certificate(s) 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 certificate(s) shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Right to reissue NCD(s)

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

Sharing of Information

We may, at our option, use on our own, as well as exchange, share or part with any financial or other information about the NCD Holders available with us, with our Subsidiary, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper in Mumbai and/or will be sent by post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Future Borrowings

We will be entitled to borrow/raise loans or avail of financial assistance in whatever form as also to issue debentures/ NCDs/other securities in any manner having such ranking in priority, pari passu or otherwise, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, and subject to the stipulated minimum security cover being maintained, and change the capital structure including the issue of shares of any class, on such terms and conditions as we may think appropriate, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection. However, if consent and/or intimation is required under applicable law, then the Company shall obtain such consents and/ or intimation in accordance with such law.

Impersonation

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who: (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the Companies Act, 2013"

Pre-closure

Our Company, in consultation with the Lead Manager reserves the right to close the Issue at any time prior to the Issue Closing Date, subject to receipt of minimum subscription or as may be specified in the Shelf Prospectus and relevant Tranche Prospectus. Our Company shall allot NCDs with respect to the Applications received until the time of such pre-closure in accordance with the Basis of Allotment as described herein and subject to applicable statutory and/or regulatory requirements. In the event of such early closure of the Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the issue have been given.

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. If our Company does not receive the minimum subscription of 75 % of the Base Issue, prior to the Issue Closing Date the entire subscription amount shall be unblocked in the Applicants ASBA Account within 6 Working Days from the date of closure of the Issue. In the event, there is a delay, by our Company in unblocking aforesaid ASBA Accounts within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 and Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013, circular no. SEBI/HO/DDHC/CIR/P/2020/233 dated November 23, 2020 ("**UPI Mechanism Circular**") and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018.

Utilisation of Application Amount

The sum received in respect of the Issue will be kept in separate bank accounts until the documents for creation of security are executed and on receipt of listing and trading approval we will have access to such funds as per applicable provisions of law(s), regulations and approvals.

Utilisation of Issue Proceeds

1. All monies received pursuant to the issue of NCDs to public shall be transferred to a separate bank account with a scheduled commercial bank as referred to in sub-section (3) of section 40 of the Companies Act, 2013.

2. Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised;

3. Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.

4. We shall utilize the Issue proceeds only upon execution of the documents for creation of security as stated in this Draft Shelf Prospectus and the Shelf Prospectus, on receipt of the minimum subscription and receipt of listing approval from the Stock Exchanges.

5. The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.

Guarantee/Letter of Comfort

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

Arrangers to the Issue

There are no arrangers to the Issue.

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the NCD Holder, to the extent of all outstanding dues, if any by the NCD Holder to our Company, subject to applicable laws.

Lien on Pledge of NCDs

Subject to applicable laws, our Company, at its discretion, may note a lien on pledge of NCDs if such pledge of NCDs is accepted by any bank or institution for any loan provided to the NCD Holder against pledge of such NCDs as part of the funding.

Monitoring and Reporting of Utilisation of Issue Proceeds

There is no requirement for appointment of a monitoring agency in terms of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as amended. Our Board shall monitor the utilization of the proceeds of the Issue. For the relevant quarters, our Company will disclose in our quarterly financial statements, the utilization of the net proceeds of the Issue under a separate head along with details, if any, in relation to all such proceeds of the Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Issue.

Procedure for Rematerialisation of NCDs

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

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee will be sent by post/ courier or through email or other electronic media to the Registered Holders of the NCD(s) from time to time.

Events of Default

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

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

A copy of the Shelf Prospectus and relevant Tranche Prospectus will be filed with the RoC, in accordance with Section 26 of Companies Act, 2013.

Pre-Issue Advertisement

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

ISSUE PROCEDURE

This section applies to all Applicants. Pursuant to the circular (CIR/DDHS/P/121/2018) dated August 16, 2018 issued by SEBI, all Applicants are required to apply for in the Issue through the ASBA process. 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.

*In addition, specific attention is invited to SEBI Circular SEBI/HO/DDHC/CIR/P/2020/233dated November 23, 2020 ("**UPI Mechanism Circular**"), whereby investor may use the Unified Payment Interface ("**UPI**") to participate in the public issue for an amount up to INR 2, 00, 000 being conducted on or after January 01, 2021.*

ASBA Applicants ensure that their respective ASBA accounts can be blocked by the SCSBs, in the relevant ASBA Accounts. Applicants should note that they may submit their Applications to the Lead Manager or Members of the Syndicate or Registered Brokers at the Broker Centres or CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations or designated branches of SCSBs as mentioned on the Application Form.

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 Draft Shelf Prospectus.

*Please note that this section has been prepared based on the circular no. CIR/IMD/DF/18/2013 dated October 29, 2013 issued by SEBI, circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI ("**Debt Application Circular**") and* UPI Mechanism Circular.

Retail Individual Investors should note that they may use the UPI mechanism to block funds for application value upto ₹ 2 Lac 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 clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility as provided for in the Debt Application Circular have been sought from the Stock Exchanges.

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 SEBI circular (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 Exchanges, as opposed to the date and time of upload of each such application.

PLEASE NOTE THAT ALL TRADING MEMBERS OF THE STOCK EXCHANGES WHO WISH TO COLLECT AND UPLOAD APPLICATIONS IN THIS 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 EXCHANGE. THE FOLLOWING SECTION MAY CONSEQUENTLY UNDERGO CHANGE BETWEEN THE DATES OF THIS DRAFT SHELF PROSPECTUS, THE SHELF PROSPECTUS, THE ISSUE OPENING DATE AND THE ISSUE CLOSING DATE.

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

For purposes of the Issue, the term "Working Day" shall mean all days excluding Saturdays, Sundays or a holiday of commercial banks in Mumbai, except with reference to 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 Issue closure to listing of the securities on the Stock Exchanges, Working Days shall mean all trading days of the Stock Exchanges, excluding Sundays and Bank holidays as per the SEBI Circular

CIR/DDHS/P/121/2018 dated August 16, 2018.

The information below is given for the benefit of the investors. Our Company and the Members of Consortium are not liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Shelf Prospectus.

PROCEDURE FOR APPLICATION

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

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

Please note that there is a single Application Form for Applicants who are Persons Resident in India.

Physical copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus, the respective Tranche Prospectus(es) together with Application Forms may be obtained from:

1. Our Company's Registered Office and Corporate Office;
2. Offices of the Lead Manager;
3. Offices of the Lead Brokers;
4. Registrar to the Issue
5. Designated RTA Locations for RTAs;
6. Designated CDP Locations for CDPs; and
7. Designated Branches of the SCSBs.

Electronic copies of the Shelf Prospectus and relevant Tranche Prospectus along with the downloadable version of the Application Form will be available on the websites of the Lead Manager, the Stock Exchanges, SEBI and the SCSBs.

Electronic Application Forms may be available for download on the websites of the Stock Exchanges and on the websites of the SCSBs that permit submission of Applications electronically. A unique application number ("**UAN**") will be generated for every Application Form downloaded from the websites of the Stock Exchanges.

Our Company may also provide Application Forms for being downloaded and filled at such websites as it may deem fit. In addition, brokers having online demat account portals may also provide a facility of submitting the Application Forms virtually online to their account holders.

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

Who can apply?

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

Category I **Institutional Investors**	**Category II** **Non-Institutional Investors**	**Category III** **High Net-worth Individual, ("HNIs"), Investors**	**Category IV** **Retail Individual Investors**
• Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institution which are authorized to invest in the NCDs;	• Companies within the meaning of section 2(20) of the Companies Act, 2013; • Statutory Bodies/ Corporations; • Societies registered under the applicable laws in India and	Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1 million across all series of NCDs in Issue	Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 1 million across all series of NCDs in Issue and shall include Retail Individual Investors, who have

Category I Institutional Investors	Category II Non-Institutional Investors	Category III High Net-worth Individual, ("HNIs"), Investors	Category IV Retail Individual Investors
• Provident funds, pension funds with a minimum corpus of ₹ 250 million, superannuation funds and gratuity funds, which are authorized to invest in the NCDs; • Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; • Mutual Funds registered with SEBI • Venture Capital Funds registered with SEBI; • Insurance Companies registered with IRDA; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company, a nonbanking financial company registered with the Reserve Bank of India and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements; • National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated	authorised to invest in the NCDs; • Co-operative banks and regional rural banks • Public/private charitable/ religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons.		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.

Category I Institutional Investors	Category II Non-Institutional Investors	Category III High Net-worth Individual, ("HNIs"), Investors	Category IV Retail Individual Investors
November 23, 2005 of the Government of India published in the Gazette of India.			

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

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/ consents/ approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue.

The Members of Consortium and their respective associates and affiliates are permitted to subscribe in the Issue.

Who are not eligible to apply for NCDs?

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

1. Minors without a guardian name*(A guardian may apply on behalf of a minor. However, Applications by minors must be made through Application Forms that contain the names of both the minor Applicant and the guardian);
2. Foreign nationals, NRI *inter-alia* including any NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA;
3. Persons resident outside India and other foreign entities;
4. Foreign Institutional Investors;
5. Foreign Portfolio Investors;
6. Foreign Venture Capital Investors
7. Qualified Foreign Investors;
8. Overseas Corporate Bodies; and
9. Persons ineligible to contract under applicable statutory/regulatory requirements.

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

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

The concept of Overseas Corporate Bodies (meaning any company, partnership firm, society and other corporate body or overseas trust irrevocably owned/held directly or indirectly to the extent of at least 60% by NRIs), which was in existence until 2003, was withdrawn by the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003. Accordingly, OCBs are not permitted to invest in the Issue.

Please refer to "*Rejection of Applications*" on page 238 of this Draft Shelf Prospectus for information on rejection of Applications.

Method of Applications

In terms of the SEBI circular CIR/DDHS/P/121/2018 dated August 16, 2018, an eligible investor desirous of applying in this Issue can make Applications through the ASBA mechanism only.

Further, the Application may also be submitted through the app or web interface developed by Stock Exchanges wherein the Application is automatically uploaded onto the Stock Exchange bidding platform and the amount is blocked using the UPI mechanism, as applicable.

Applicants are requested to note that in terms of the Debt Application Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility ("Direct Online Application Mechanism"). In this regard, SEBI has, through the Debt Application Circular, directed recognized Stock Exchange in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange.

All Applicants shall mandatorily apply in the Issue through the ASBA process only. Applicants intending to subscribe in the Issue shall submit a duly filled Application form to any of the Designated Intermediaries. Designated Intermediaries (other than SCSBs) shall submit/deliver the Application Form (except the Application Form from a Retail Individual Investor bidding using the UPI mechanism) to the respective SCSB, where such investor has a bank account and shall not submit it to any non-SCSB bank or any Escrow Bank.

Applicants should submit the Application Form only at the Bidding Centres, i.e. to the respective Members of the Syndicate at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the RTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at https://www.sebi.gov.in.

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

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

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Issue should be made by Applicants directly to the relevant Stock Exchange.

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 ₹2 lakhs 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. The Stock Exchanges have extended their web-based platforms i.e 'BSEDirect' and 'NSE goBID' to facilitate investors to apply in public issues of debt securities through the web based platform and mobile app with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto Rs. 2 Lac. To place bid through 'BSEDirect' and 'NSE goBID' platform/ mobile app the eligible investor is required to register himself/ herself with BSE Direct/ NSE goBID.

c. An investor may use the following links to access the web-based interface developed by the Stock Exchanges to bid using the UPI Mechanism: BSE: https://www.bsedirect.com; and NSE: https://www.nseindiaipo.com.

d. The BSE Direct and NSE goBID mobile application can be downloaded from play store in android phones. Kindly search for 'BSEdirect' or 'NSE goBID' on Google Playstore for downloading mobile applications.

e. For further details on the registration process and the submission of bids through the App or web interface, the Stock Exchanges have issued operational guidelines and circulars available at BSE and NSE:

https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-60, and https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20201228-61;

NSE: https://www1.nseindia.com/content/circulars/IPO46907.zip;
https://www1.nseindia.com/content/circulars/IPO46867.zip

APPLICATIONS FOR ALLOTMENT OF NCDs

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

Applications by Mutual Funds

Pursuant to the SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2017/14 dated February 22, 2017 ("**SEBI Circular 2017**"), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 25% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 15% of net assets value of scheme shall be allowed only by way of increase in exposure to HFCs. Further, the group level limits for debt schemes and the ceiling be fixed at 20% of net assets value extendable to 25% of net assetsvalue after prior approval of the board of trustees.

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

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

Commercial Banks, Co-operative banks and Regional Rural Banks can apply in the Issue based on their own investment limits and approvals. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; and (iv) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

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

Application by Systemically Important Non-Banking Financial Companies

Systemically Important Non-Banking Financial Companies can apply in the 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) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (ii) specimen signatures of authorised signatories. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Application by Insurance Companies

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with Application Form. The Applications must be accompanied by certified copies of (i) Memorandum and Articles of Association (ii) Power of Attorney (iii) Resolution authorising investment and containing operating instructions (iv) Specimen signatures of authorized signatories. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason, therefore.**

Application by Indian Alternative Investment Funds

Applications made by Alternative Investment Funds eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the NCDs must be accompanied by certified true copies of (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. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

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

In case of Applications made by Applications by Associations of persons and/or bodies established pursuant to or registered under any central or state statutory enactment, must submit a (i) certified copy of the certificate of registration or proof of constitution, as applicable, (ii) Power of Attorney, if any, in favour of one or more persons thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Trusts

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) Power of Attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for NCDs pursuant to the Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or **regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable statutory and or regulatory provisions. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Public Financial Institutions 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. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications by Provident Funds, Pension Funds, Superannuation Funds and Gratuity Fund, which are authorized to invest in the NCDs

The Application must be accompanied by certified true copies of: (i) Any Act/Rules under which they are incorporated; (ii) Power of Attorney, if any, in favour of one or more trustees thereof, (iii) Board Resolution authorising investments; (iv) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (v) Specimen signature of authorized person; (vi) certified copy of the registered instrument for creation of such fund/trust; and (vii) Tax Exemption certificate issued by Income Tax Authorities, if exempt from Tax. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Applications by National Investment Fund

The application must be accompanied by certified true copies of: (i) resolution authorising investment and containing operating instructions; and (ii) Specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

Applications 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. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

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

The Application must be accompanied by certified true copies of: (i) Any Act/ Rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.

Applications by partnership firms formed under applicable Indian laws in the name of the partners and Limited Liability Partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009)

The Application must be accompanied by certified true copies of: (i) Partnership Deed; (ii) Any documents evidencing registration thereof under applicable statutory/regulatory requirements; (iii) Resolution authorizing investment and containing operating instructions; (iv) Specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney by Applicants who are Institutional Investors or Non Institutional Investors, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants who are HNI Investors or Retail Individual Investors, a certified copy of the power of attorney must be submitted with the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney with the Application Forms subject to such terms and conditions that our Company, the Lead Manager may deem fit.**

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

APPLICATIONS FOR ALLOTMENT OF NCDs IN THE DEMATERIALIZED FORM

Submission of Applications

This section is for the information of the Applicants proposing to subscribe to the Issue. The Lead Manager and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Shelf Prospectus. Investors are advised to make their independent investigations and to ensure that the Application Form is correctly filled up. Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Manager and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by and/or uploaded by and/or accepted but not uploaded by Lead Brokers, Trading Members, Registered Brokers, CDPs, RTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account.The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Syndicate at Specified Locations, see the website of the SEBI https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Applications can be submitted through either of the following modes:

1. Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of ASBA Application in physical mode, the ASBA Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Investor's bank records, as mentioned in the ASBA Application, prior to uploading such ASBA Application into the electronic system of the Stock Exchange. **If sufficient funds are not available in the ASBA Account, the respective Designated Branch shall reject such ASBA Application and shall not upload such ASBA Application in the electronic system of the Stock Exchange.** If sufficient funds are available in the ASBA Account, the Designated Branch shall block an amount equivalent to the Application Amount and upload details of the ASBA

Application in the electronic system of the Stock Exchange. The Designated Branch of the SCSBs shall stamp the Application Form and issue an acknowledgement as proof of having accepted the Application. In case of Application in the electronic mode, the ASBA Applicant shall submit the ASBA Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such ASBA Applications.

2. Physically through the Members of Consortium, or Trading Members of the Stock Exchanges only at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat), i.e. Syndicate ASBA. Kindly note that ASBA Applications submitted to the Members of Consortium or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

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

Applicants must note that:

1. Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Members of Consortium and Trading Members of the Stock Exchanges at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Issue Opening Date. Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Prospectus is made available on their websites.

2. The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Issue Period. The SCSB shall not accept any Applications directly from Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, the relevant branches of the SCSBs at Specified Cities can accept Applications from the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date, if the Applications have been uploaded. For further information on the Issue programme, please refer to "*General Information – Issue Programme*" on page 59 of this Draft Shelf Prospectus.

3. Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

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

Submission of Direct Online Applications

[Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock

Exchanges.]

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

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

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only.
- Application Forms must be completed in block letters in English, as per the instructions contained in this Draft Shelf Prospectus, the Shelf Prospectus, relevant Tranche Prospectus and the Application Form.
- If the Application is submitted in joint names, the Application Form should contain only the name of the first Applicant whose name should also appear as the first holder of the depository account held in joint names.
- Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details (in case of Applicants applying for Allotment of the Bonds in dematerialized form) and Applications should be made by Karta in case the Applicant is an HUF. Please ensure that such Applications contain the PAN of the HUF and not of the Karta.
- Applicants applying for Allotment in dematerialised form must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of Stock Exchanges by SCSBs, the Members of the Syndicate at the Syndicate ASBA Application Locations and the Trading Members, as the case may be, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs.
- Applications must be for a minimum of 10 NCDs and in multiples of one NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 NCDs, an Applicant may choose to apply for 10 NCDs of the same series or across different series. Applicants may apply for one or more series of NCDs Applied for in a single Application Form.
- If the ASBA Account holder is different from the ASBA Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- If the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
- Applications should be made by Karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.
- Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any other languages specified in the 8th Schedule of the Constitution needs to be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his/her seal.
- No separate receipts will be issued for the money payable on the submission of the Application Form. However, the Members of Consortium, Trading Members of the Stock Exchanges or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the Transaction Registration Slip (TRS). This TRS will serve as

the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Lead Manager, Trading Member of the Stock Exchanges or the Designated Branch of the SCSBs, as the case may be.

- Every Applicant should hold valid Permanent Account Number (PAN) and mention the same in the Application Form.
- All Applicants are required to tick the relevant column of "Category of Investor" in the Application Form.
- 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.

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

Applicants should note that neither the Members of Consortium, Trading Member of the Stock Exchange nor Designated Branches, 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 of NCDs, as specified in the Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of NCDs.

B. Applicant's Beneficiary Account and Bank Account Details

ALL APPLICANTS APPLYING FOR ALLOTMENT OF THE NCDS SHOULD MENTION THEIR DP ID, CLIENT ID, PAN AND UPI ID (in case applying through UPI Mechanism) IN THE APPLICATION FORM. APPLICANTS MUST ENSURE THAT THE DP ID, CLIENT ID PAN AND UPI ID GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE DP ID, CLIENT ID, PAN AND UPI ID 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.

Applicants applying for Allotment in dematerialized form must mention their DP ID and Client ID in the Application Form and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialized form is submitted in the first Applicant's name, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialized form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialized form, whose beneficiary accounts are inactive, will be rejected.

On the basis of the DP ID, Client ID and UPI ID provided by the Applicant in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchange, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, bank account details for printing on refund orders/sending refunds through electronic mode, Magnetic Ink Character Recognition ("**MICR**") Code and occupation. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NACH, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants' sole risk, and neither our Company, the Members of Consortium, Trading Members of the Stock Exchange, SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same.

The Demographic Details would be used for correspondence with the Applicants including mailing of the Allotment Advice and printing of bank particulars on the refund orders, or for refunds through electronic transfer of funds, as applicable. Allotment Advice and physical refund orders (as applicable) would be mailed at the address of the Applicant as per the Demographic Details received from the Depositories. Applicants may note that delivery of refund orders/ Allotment Advice may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders.

Please note that any such delay shall be at such Applicants sole risk and neither our Company, the Members of Consortium, Trading Members of the Stock Exchange, SCSBs, Registrar to the Issue nor the Stock Exchanges shall be liable to compensate the Applicant for any losses caused to the Applicant 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 Draft Shelf Prospectus, refunds may be delayed if bank particulars obtained from the Depository Participant are incorrect.

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of Power of Attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of refund orders/ Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used. By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Issue.

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

C. 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 01, 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.

D. Permanent Account Number (PAN)

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

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

D. Joint Applications

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

E. Additional/ Multiple Applications

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

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 sother 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 BSE Direct 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 dependent 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 05, 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.

z. The Investors are advised to read the operational guidelines mentioned for Making Application for Public Issue of Debt Securities through BSE Direct issued by BSE on December 28, 2020 and the circular issued by National Stock Exchange of India Limited for Introduction of Unified Payment Interface (UPI) for Debt IPO through NSE goBID on January 05, 2021 before investing through the through the app/ web interface of Stock Exchange(s)

Do's and Don'ts

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

Do's

1. Check if you are eligible to apply as per the terms of this Draft Shelf Prospectus, the Shelf Prospectus, the relevant Tranche Prospectus and applicable law;
2. Read all the instructions carefully and complete the Application Form in the prescribed form;
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of NCDs pursuant to the Issue.
4. Ensure that the DP ID, Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated for Allotment of NCDs in dematerialized form. The requirement for providing Depository Participant details shall be mandatory for all Applicants.
5. Ensure that you have mentioned the correct ASBA Account number in the Application Form.
6. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder.
7. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as

the case may be.

8. Ensure that the Application Forms are submitted at the collection centres provided in the Application Forms, bearing the stamp of a member of the Consortium or Trading Members of the Stock Exchange, as the case may be.
9. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
10. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
11. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchange, ensure that you have first withdrawn your original Application and submit a fresh Application. For instance, as per the notice No: 20120831-22 dated August 31, 2012 issued by the NSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes.
12. Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
13. Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground.
14. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;
15. Ensure that the Applications are submitted to the Members of Consortium, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Issue Closing Date. For further information on the Issue programme, please see "*General Information – Issue Programme*" on page 59 of this Draft Shelf Prospectus.
16. Ensure that the Demographic Details including PAN are updated, true and correct in all respects.
17. Permanent Account Number: Except for Application (i) on behalf of the Central or State Government and officials appointed by the courts, and (ii) (subject to SEBI circular dated April 3, 2008) from the residents of the state of Sikkim, each of the Applicants should provide their PAN. Application Forms in which the PAN is not provided will be rejected. The exemption for the Central or State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same.
18. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form and Tick the series of NCDs in the Application Form that you wish to apply for.
19. Retail individual investors using the UPI Mechanism to ensure that they submit bids upto the application value
of INR 2,00,000.
20. 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.
21. 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.
22. Ensure that you have correctly signed the authorisation /undertaking box in the Application Form or have otherwise provided an authorisation to the SCSB or Sponsor Bank, as applicable, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Application Form, as the case may be, at the time of submission of the Bid. In case of Retail Individual Investor submitting their Bids and participating in the Offer through the UPI Mechanism, ensure that you authorise the UPI Mandate Request raised by the Sponsor Bank for blocking of funds equivalent to Bid Amount and subsequent debit of funds in case of Allotment.
23. Ensure that you have mentioned the correct details of ASBA Account (i.e., bank account number or UPI ID, as applicable) in the Application Form.
24. 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.
25. 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

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

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

Don'ts:

1. Do not apply for lower than the minimum application size.
2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest.
3. Do not send Application Forms by post; instead submit the same to the Members of Consortium, sub-brokers, Trading Members of the Stock Exchanges or Designated Branches of the SCSBs, as the case may be.
4. Do not submit the Application Form to any non-SCSB bank or our Company.
5. Do not Bid on an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.
6. Do not fill up the Application Form such that the NCDs applied for exceeds the Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations.
7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
8. Do not submit incorrect details of the DP ID, Client ID, UPI ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue.
9. Do not submit an Application Form using UPI ID, if the Application is for an amount more than INR 2,00,000.
10. Do not submit a bid using UPI ID, if you are not a Retail Individual Investor.
11. Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account.
12. Do not submit Applications on plain paper or on incomplete or illegible Application Forms.
13. Do not apply if you are not competent to contract under the Indian Contract Act, 1872.
14. 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.
15. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise.
16. Do not submit an Application that does not comply with the securities law of your respective jurisdiction.
17. Do not apply if you are a person ineligible to apply for NCDs under the Issue including Applications by Persons Resident Outside India, NRI (*inter-alia* including NRIs who are (i) based in the USA, and/or, (ii) domiciled in the USA, and/or, (iii) residents/citizens of the USA, and/or, (iv) subject to any taxation laws of the USA).
18. Do not make an application of the NCD on multiple copies taken of a single form.
19. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Issue.
20. Do not submit more than five Application Forms per ASBA Account.
21. 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.

Kindly note that ASBA Applications submitted to the Members of Consortium or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that Specified City for the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, to deposit such Application Forms (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes)).

Please refer to "*Rejection of Applications*" on page 238 of this Draft Shelf Prospectus for information on rejection of Applications.

TERMS OF PAYMENT

The entire issue price for the NCDs is payable on Application only. In case of Allotment of lesser number of NCDs than the number applied, our Company shall refund the excess amount paid on Application to the Applicant (or the excess amount shall be unblocked in the ASBA Account, as the case may be).

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

For ASBA Applications submitted to the Members of Consortium or Trading Members of the Stock Exchanges at the Specified Cities, the ASBA Application will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such ASBA Applications from the Members of Consortium or Trading Members of the Stock Exchange, as the case may be (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

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

ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities or to the Designated Branches of the SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

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

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 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 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.

Payment mechanism for Direct Online Applicants

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

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.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
ASBA Applications	(i) If using <u>physical Application Form</u>, (a) to the Members of Consortium or Trading Members of the Stock Exchanges only at the Specified Cities ("**Syndicate ASBA**"), or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (ii) If using <u>electronic Application Form</u>, to the SCSBs, electronically through internet banking facility, if available.

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

No separate receipts will be issued for the Application Amount payable on submission of Application Form. However, the Members of Consortium/ Trading Members of Stock Exchanges will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants a TRS which will serve as a duplicate Application Form for the records of the Applicant.

Electronic Registration of Applications

(a) The Members of Consortium, Trading Members of the Stock Exchanges and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchange. **The Members of Consortium, our Company and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to ASBA Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, or (v) any Applications accepted both uploaded and/or not uploaded by the Trading Members of the Stock Exchange.**

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

(b) The Stock Exchanges will offer an electronic facility for registering Applications for the Issue. This facility will be available on the terminals of Members of Consortium, Trading Members of the Stock Exchanges and the SCSBs during the Issue Period. The Members of Consortium and Trading Members of the Stock Exchanges can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, the Members of Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchange. This information will be available with the Members of Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation. For further information on the Issue programme, please refer to "*General Information – Issue Programme*" on page 59 of this Draft Shelf Prospectus.

(c) With respect to ASBA Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches shall enter the requisite details of the Applicants in the on-line system including:

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

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

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

(e) A system generated acknowledgement (TRS) will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Members of Consortium, Trading Members of the Stock Exchanges and the Designated Braches of the SCSBs, as the case may be. The registration of the Application by the Members of Consortium, Trading Members of the Stock Exchanges and the Designated Braches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.**

(f) Applications can be rejected on the technical grounds listed on page 238 of this Draft Shelf Prospectus or if all required information is not provided or the Application Form is incomplete in any respect.

(g) The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Manager 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 Draft Shelf Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.

(h) Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment. The Members of Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of

Allotment while uploading Application data in the electronic systems of the Stock Exchange. In order that the data so captured is accurate the Members of Consortium, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

REJECTION OF APPLICATIONS

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

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

i. Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, except bids by Minors (applying through the guardian) having valid demat account as per demographic details provided by the Depository Participants.
ii. Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant.
iii. PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants. In case of minor Applicants applying through guardian, when PAN of the Applicant is not mentioned.
iv. Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size.
v. Applications where a registered address in India is not provided for the Applicant.
vi. In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s).
vii. DP ID and Client ID not mentioned in the Application Form;
viii. GIR number furnished instead of PAN.
ix. Applications by OCBs.
x. Applications for an amount below the minimum application size.
xi. Submission of more than five ASBA Forms per ASBA Account.
xii. Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals.
xiii. In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted.
xiv. Applications accompanied by Stock invest/cheque/ money order/ postal order/ cash.
xv. 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;
xvi. Signature of sole Applicant missing, or in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository).
xvii. Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
xviii. Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.
xix. Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant.
xx. Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained.
xxi. Application Forms submitted to the Members of Consortium or Trading Members of the Stock Exchanges or Designated Branches of the SCSBs does not bear the stamp of the relevant Member of Consortium or Trading Member of the Stock Exchange or Designated Branch of the SCSB, as the case may be.
xxii. Applications not having details of the ASBA Account to be blocked.
xxiii. In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database.
xxiv. Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no

confirmation is received from the SCSB for blocking of funds.

xxv. SCSB making an application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues.

xxvi. Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law.

xxvii. Authorization to the SCSB for blocking funds in the ASBA Account or acceptance of UPI Mandate Request raised has been not provided.

xxviii. Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority.

xxix. Applications by any person outside India.

xxx. Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements.

xxxi. Applications not uploaded on the online platform of the Stock Exchange.

xxxii. Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable.

xxxiii. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Shelf Prospectus and relevant Tranche Prospectus and as per the instructions in the Application Form.

xxxiv. Applications by Applicants whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010.

xxxv. Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchange, are not as per the records of the Depositories.

xxxvi. Applications for Allotment of NCDs in dematerialised form providing an inoperative demat account number.

xxxvii. Applications submitted to the Members of Consortium, or Trading Members of the Stock Exchanges at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained.

xxxviii. Applications tendered to the Trading Members of the Stock Exchanges at centers other than the centers mentioned in the Application Form.

xxxix. Investor Category not ticked.

xl. 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.

xli. The UPI Mandate Request is not approved by the Retail Individual Investor.

xlii. Forms not uploaded on the electronic software of the Stock Exchange.

Kindly note that Applications submitted to the Members of Consortium, or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Members of Consortium, or Trading Members of the Stock Exchange, as the case may be, to deposit ASBA Applications (A list of such branches is available at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes).

For information on certain procedures to be carried out by the Registrar to the Offer for finalization of the basis of allotment, please refer to "- *Information for Applicants*" on page 240 of this Draft Shelf Prospectus.

BASIS OF ALLOTMENT

Basis of Allotment for NCDs

As specified in the relevant Tranche Prospectus.

Allocation Ratio

Reservations shall be made for each of the Portions as specified relevant Tranche Prospectus.

Retention of oversubscription

As specified in the relevant Tranche Prospectus

Information for Applicants

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

Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications
The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Issue Closing Date.

ISSUANCE OF ALLOTMENT ADVICE

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

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Issue Closing Date; provided wherein, the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be refunded from the Refund Account to the relevant ASBA Accounts(s) of the Applicants within 6 (six) Working Days from the Issue Closing Date, failing which our Company will become liable to refund the Application Amount along with interest at the rate of 15 (fifteen) percent per annum for the delayed period.

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

OTHER INFORMATION

Withdrawal of Applications during the Issue Period

Withdrawal of Applications

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

In case an Applicant wishes to withdraw the Application after the Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalization of the Basis of Allotment.

Early Closure

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

If our Company does not receive the minimum subscription of 75% of Base Issue Size within the timelines prescribed under applicable laws, the entire Application Amount shall be unblocked in the relevant ASBA Account(s) of the Applicants within 6 Working Days from the Issue Closing Date of respective Tranche Prospectus. In case of failure of the Issue due to reasons such as non-receipt of listing and trading approval from the Stock Exchanges wherein the Application Amount has been transferred to the Public Issue Account from the respective ASBA Accounts, such Application Amount shall be unblocked in the Applicants ASBA Account within 6 working days from the Issue Closing Date, failing which the Company will become liable to refund the Application Amount along with interest at the rate 15 (fifteen) percent per annum for the delayed period.

Revision of Applications

As per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE and notice No: NSE/CML/2012/0672 dated August 7, 2012 issued by NSE, 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. 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 exchange(s), by submitting a written request to the Consortium Member / Trading Members of the Stock Exchange/ the SCSBs, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange(s) as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Issue Closing Date. However, in order that the data so captured is accurate, the Consortium Member, Trading Members of the Stock Exchanges and the Designated Branches of the SCSBs will be given up to one Working Day after the Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

Depository Arrangements

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

As per the provisions of the Depositories Act, 1996, the NCDs issued by us can be held in a dematerialized form. In this context:

i. Tripartite agreement dated July 15, 2016 among our Company, the Registrar and CDSL and tripartite agreement dated July 1, 2010 among our Company, the Registrar and NSDL, respectively for offering depository option to the investors.
ii. An Applicant must have at least one beneficiary account with any of the Depository Participants (DPs) of NSDL or CDSL prior to making the Application.
iii. The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.
iv. NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
v. Non-transferable Allotment Advice/ refund orders will be directly sent to the Applicant by the Registrar to this Issue.
vi. It may be noted that NCDs in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.
vii. Interest or other benefits with respect to the NCDs held in dematerialized form would be paid to those NCD Holders whose names appear on the list of beneficial owners given by the Depositories to us as on Record Date. In case of those NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
viii. The trading of the NCDs on the floor of the Stock Exchanges shall be in dematerialized form only.

Please also refer to "- *Instructions for filling up the Application Form - Applicant's Beneficiary Account and Bank Account Details*" on page 225 of this Draft Shelf Prospectus.

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

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

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

Communications

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

Applicants may contact our Compliance Officer (and Company Secretary) or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, refunds, or credit of NCDs in the respective beneficiary accounts, as the case may be.

Interest in case of Delay

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

Undertaking by the Issuer

Statement by the Board:

(a) All monies received pursuant to the Issue of NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.
(b) Details of all monies utilised out of Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised; and
(c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
(d) the details of all utilized and unutilised monies out of the monies collected in the previous issue made by way of public offer shall be disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilized, and the securities or other forms of financial assets in which such unutilized monies have been invested;
(e) Undertaking by our Company for execution of Debenture Trust Deed;
(f) We shall utilize the Issue proceeds only upon execution of the Debenture Trust Deed as stated in this Draft Shelf Prospectus and the Shelf Prospectus, on receipt of the minimum subscription of 75% of the Base Issue and receipt of listing and trading approval from the Stock Exchange.
(g) The Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, *inter alia* by way of a lease, of any immovable property dealing of equity of listed companies or lending/investment in group companies.
(h) The allotment letter shall be issued or application money shall be refunded within 15 days from the closure of the Issue or such lesser time as may be specified by Securities and Exchange Board of India, 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.

Other Undertakings by our Company

Our Company undertakes that:

a) Complaints received in respect of the Issue will be attended to by our Company expeditiously and satisfactorily;
b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the NCDs are outstanding;
c) Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within 6 Working Days of the Issue Closing Date;
d) Funds required for dispatch of refund orders/Allotment Advice will be made available by our Company to the Registrar to the Issue;
e) Our Company will forward details of utilisation of the proceeds of the Issue, duly certified by the Statutory Auditor, to the Debenture Trustee on a half-yearly basis;
f) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue as contained in this Draft Shelf Prospectus and the Shelf Prospectus.
g) Our Company shall make necessary disclosures/reporting under any other legal and regulatory requirement as may be required by our Company from time to time.
h) Our Company will disclose the complete name and address of the Debenture Trustee in its annual report and website.
i) If Allotment is not made, application monies will be refunded/unblocked in the ASBA Accounts within six Working Days from the Issue Closing Date or such lesser time as specified by SEBI, failing which interest will be due to be paid to the Applicants in accordance with applicable laws;
j) 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
k) We undertake that the assets on which charge is created, 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 the assets of the issuer has been obtained from the earlier creditor.

SECTION VIII- MAIN PROVISIONS OF ARTICLES OF ASSOCIATION OF OUR COMPANY

ARTICLES OF ASSOCIATION OF INDIABULLS COMMERCIAL CREDIT LIMITED

PRELIMINARY

1. *The regulations contained in Table F of Schedule I shall apply to the Company except in so far as they are embodied in the following Articles, which shall be the regulations for the management of the Company, so however that the Articles shall to the extent to which they are repugnant to and/or at variance with the provisions of the Companies Act 2013, various Schedules thereto and the Rules made thereunder (collectively referred to as "Act"), be deemed to have been replaced by the relevant provisions/rules in the Act so as to be in consonance and harmony therewith.*

DEFINITIONS AND INTERPRETATIONS

2 (i) In these Regulations:

(a) 'Auditor' means the statutory auditors of the Company appointed by the Company in accordance with the provisions of the Act.

(b) 'Board' means the Board of Directors for the time being of the Company.

(c) "Beneficial Owner" means a person whose name is recorded as such with a Depository;

(d) 'Chairman' means the Chairman of the Board for the time being of the Company

(e) 'Director' means a member of the Board for the time being of the Company and includes an alternate director.

(f) 'Debenture' includes debenture stocks.

(g) "Depository" means a company formed and registered under the Companies Act, 1956 (1 of 1956), and which has been granted a certificate of registration under sub-section (1A) of section 12 of the Securities and Exchange Board of India Act, 1992 (15 of 1992);

(h) 'Dividend' includes interim dividend.

(i) 'General Meeting' or 'Meeting' means a general meeting of the members.

(j) 'Managing Director' means the Managing Director(s) for the time being of the Company so appointed.

(k) 'Member' or 'Shareholder' means duly registered holder of the shares of the Company and whose name is entered in the Register and any other person whose name is entered as Beneficial Owner in the records of the Depository.

(l) 'Month' means calendar month.

(m) 'Office' means the Registered Office for the time being of the Company.

(n) 'Person' includes body corporate, firm, association of firms and society registered under the Societies Registration Act.

(o) 'Proxy' includes an Attorney duly constituted under a Power of attorney.

(p) 'Register' means the Register of members kept pursuant to Section 150 of the Act.

(q) 'Shares' mean voting shares in the capital of the Company and includes all rights and interests therein, bonus shares and any shares issued in exchange thereof by way of conversion or reclassification and any shares representing or deriving from such shares as a result of any increase in or reorganisation or variation of the capital of the Company.

(r) 'Seal' means the Common Seal for the time being of the Company.

(s) ‘Table A’ means the Table A of the First Schedule to the Act.

(t) 'The Company' means Indiabulls Commercial Credit Limited

(u) 'The Act' means the Companies Act, 1956 and includes any re-enactment or statutory modification thereof for the time being in force.

(v) ‘These presents' means the Memorandum of Association and these Articles of Association of the Company for the time being in force.

(w) ‘Whole time Director’ means the Whole time Director for the time being of the Company.

(ii) (a) Unless the context otherwise requires, words or expression contained in these Regulations shall bear the same meaning as in the Act or any statutory modification thereof.

(b) 'In writing' and 'written' includes printing, lithography and any other modes of representing or reproducing words in a visible form.

(c) Words importing the singular number shall include the plural number and vice versa.

SHARES

3. Copies of Memorandum and Articles of Association of the Company shall be furnished to every member of the Company at his request on payment of Rs. 1 (One) each.

4. The authorised Share Capital of the Company is as mentioned in Clause V of the Memorandum of Association of the Company. The paid up capital of the company shall not be less than Rs. 5,00,000/- (Rupees Five Lac) or such higher sum as may be prescribed by the Act.

5. Subject to the provisions of Section 80 of the Companies Act, 1956, the Company may issue preference shares, which are or at the option of the Company are liable to be redeemed and/or converted into equity share capital, on such terms and in such manner and time, as the resolution authorising such issue shall prescribe.

6. Subject to the provisions of these Articles, the shares shall be under the control of the Board who may allot or otherwise dispose of the same to such person, on such terms and conditions, at such times, either at par or at a premium and for such consideration as the Board thinks fit.

7. The Directors may allot and issue shares in the Capital of the Company as partly or fully paid up in consideration of any property sold or goods transferred or machinery supplied or for services rendered to the Company in the conduct of its business.

8. Unless the shares of the Company are held with a Depository, the shares in the Capital shall be numbered progressively according to their several denominations.

9. Except as required by law, no person shall be recognised by the Company as holding any shares upon any trust, and the Company shall not be bound by, or be compelled in any way to recognise (even when having notice thereof), any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share or (except only as by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

10. The Company may pay commission to any person prescribed under Section 76 of Act and that such commission may be paid in cash or by the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares or debenture pay such brokerage as may be lawful.

11. Save as permitted by Section 77 of the Act, the funds of the Company shall not be employed in the purchase of or lent on the security of, shares of the Company. The Company shall not give, directly or indirectly, any financial assistance whether by way of loan, guarantee, security or otherwise any financial assistance for the purpose of or in connection with any purchase of or subscription for any shares in the Company.

12. Subject to the provisions of section 77A, 77AA and 77B and any statutory amendments or reenactments thereof and compliance of the provisions thereof by the Company, the Company is authorised to purchase its own shares or other specified securities.

13. Subject to the provisions of section 78 and section 79 of the Act, the Company may issue shares at a premium or at a discount.

14. The Company, subject to the provisions of section 79A of the Act, may issue sweat equity shares of a class of shares already issued. All the limitations, restrictions and provisions relating to equity shares shall apply to such sweat equity shares.

15. If, by the conditions of issue of any shares, the whole or part of amount of issue price thereof shall be payable in instalments, every such instalment shall, when due, be paid to the Company, by the person who, for the time being, shall be the registered holder of the share or by his executor or administrator as the case may be.

16. The Joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such share.

17. Share(s) may be registered in the name of any person, company or other body corporate. Not more than three persons shall be registered as joint holders of any shares. Shares may be registered in the name of any minor through a guardian only as fully paid shares.

FURTHER ISSUE OF SHARES

18 Where at the time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, which ever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the un-issued capital or out of the increased share capital then:

(a) such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as near as circumstances admit, to the capital paid up on those shares at the date.
(b) such offer shall be made by a notice specifying the number of shares offered and limiting a time, as prescribed under the applicable laws, as would be in force at the point of time of issuance of such notice, and the offer, if not accepted within such time, will be deemed to have been declined.
(c) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favor of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him.
(d) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose off them in such manner and to such person(s) as they may think, in their sole discretion, fit.

19. Notwithstanding anything contained in clause 18 thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (18) hereof) in any manner whatsoever.

(a) If a special resolution to that effect is passed by the Company in General Meeting, or

(b) Where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board in this behalf that the proposal is most beneficial to the Company.

20. Nothing in sub-clause (c) of clause 18 hereof shall be deemed:

(a) to extend the time within which the offer should be accepted; or

(b) to authorize any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

21. Nothing in this Article shall apply to the increase of the subscribed capital of the Company caused by the exercise of an option attached to the debenture issued or loans raised by the Company:

(i) to convert such debentures or loans into shares in the Company: or
(ii) to subscribe for shares in the Company (whether such option is conferred in these Articles or otherwise).

PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:
(a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with the rules, if any, made by that Government in this behalf: and
(b) In the case of debentures or loans or other than debentures issued to or loans obtained from Government or any Institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the Company in General Meeting before the issue of the debentures or raising of the loans.

EMPLOYEE STOCK OPTIONS/STOCK PURCHASE

22. Subject to the provisions of Section 81 of the Act and other applicable law, the Company may issue options to the whole-time directors, officers or employees of the Company, its subsidiaries or its parent, which would give such directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the securities offered by the Company at a pre-determined price, in term of schemes of employee stock options or employees share purchase or both.

INCREASE AND REDUCTION OF CAPITAL

23. The Company in General Meeting may, from time to time, by ordinary resolution increase the share capital of the Company by the creation of new shares by such sum, to be divided into shares of such amount as may be deemed expedient.

24. Subject to any special rights or privileges for the time being attached to any shares in the capital of the Company when issued, the new shares may be issued upon such terms and conditions and with such preferential, qualified or such rights and privileges or conditions there to as general meeting resolving upon the creation thereof shall direct. If no direction be given, the Board shall determine in particular the manner in which such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company.

25. Before the issue of any new shares, the Company in General Meeting may make provisions as to the allotment and issue of the new shares and in particular may determine to whom the shares be offered in the first instance and whether at par or premium or at a discount. In case no such provision is made by the Company in General Meeting, the new shares may be dealt with according to the provisions of these Articles.

26. Except so far as otherwise provided by the conditions of issue or by these presents any capital raised by the creation of new shares shall be considered part of the then existing capital of Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and instalments, transfer and transmission, forfeiture, lien, voting, surrender and otherwise.

27. If, owing to any inequality in the number of new shares to be issued and the number of shares held by members entitled to have the offer of such new shares, any difficulty arising in the allotment of such new shares or any of them amongst the members shall, in the absence of any direction in the resolution creating the shares or by the Company in general meeting, be determined by the Board.

28. Subject to the provisions of sections 100 to 103 of the Act, the Company may, from time to time in any manner, by special resolution and subject to any consent required under sections 100 to 103 of the Act, reduce:
a. its share capital
b. any capital redemption reserve
c. any share premium account.

29. Subject to provisions of sections 100 to 105 of the Act, the Board may accept from any member the surrender, on such terms and conditions as shall be agreed, of all or any of his shares.

ALTERATION OF SHARE CAPITAL

30. The Company, by ordinary resolution may, from time to time:
    a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares.
    b) sub-divide its share or any of them into shares of smaller amount than is fixed by the Memorandum of Association so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived.
    c) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of share so cancelled.

31. Where any share capital is sub-divided, the Company in General Meeting, subject to the provisions of Section 85, 87 and 106 of the Act, may determine that as between the holders of the shares resulting from sub-division, one or more of such shares shall have same preferential or special rights as regards dividend, payment of capital, voting or otherwise.

VARIATION OF SHARE HOLDER'S RIGHTS

32. If at any time the share capital is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise prohibited by the terms of issue of the shares of that class) may, subject to the provisions of sections 106 and 107 of the Act, whether or not the Company is being wound up, be modified, commuted, affected, abrogated, varied or dealt with by the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of three fourths of the issued shares of that class. To every such separate meeting the provisions of these regulations relating to general meeting shall mutatis mutandis apply but so that necessary quorum shall be five members or all the members holding or represented by proxy of the entire issued share of the class in the question.

SHARE CERTIFICATES

33. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up there on and shall be in such form as the Directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder..

    The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

    Nothing contained herein shall apply to transfer of a security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository

34. The certificate of shares registered in the name of two or more persons shall be delivered to the person first named in the Register.

35. If any certificate be worn out, defaced, mutilated or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, an new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every Certificate under the Article shall be issued without payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates

in replacement of those which are old, defaced or worn out or where there is no further space on the each thereof for endorsement of transfer.

Provided that notwithstanding what is slated above the Board shall comply with such Rules or Regulation or requirement of any stock exchange or the Rules made under the Securities Contract Regulations Act, 1956 or the Act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.

36. If the securities of the Company are dealt with in a Depository, the Company shall intimate the details of allotment of securities to Depository immediately on allotment of such securities.

CALLS

37. The Board may, from time to time, subject to terms on which any shares may have been issued and subject to the provisions of Section 91 of the Act, make such calls as the Board thinks fit upon the members in respect of all moneys unpaid on shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times. Each member shall pay the amount of every call so made on him to the persons and the times and places appointed by the Board, provided that option or right to make call on shares shall not be given to any person except with the sanction of the Company in a General Meeting. A call may be made payable by instalment and be deemed to have been made at the time when the resolution of the Board authorising such call was passed at a meeting of Board.

38. No call shall exceed one fourth of the nominal amount of a share or be made payable at less than one month from date fixed for the payment of the last preceding call. Not less than fourteen days' notice of any call shall be given specifying the time and place of payment and the person or persons to whom such call, shall be paid. Provided that, before the time for payment of such call the Board, may, by notice in writing to the members, revoke the same or extend the time for payment thereof.

39. If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by instalments at fixed times, whether on account of the nominal amount of the share or by way of premium, every such amount or instalment shall be payable as if it were call duly made by the Board and of which due notice has been given and all the provisions herein contained in respect of calls or otherwise shall relate to such amount or instalment accordingly.

40. If the sum payable of any call or instalment be not paid on or before the day appointed for payment, the holder for the time being of the shares in respect of which the call shall have been made or the instalment shall be due, shall pay interest for the same at such rate not exceeding 18 % (Eighteen percent) per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the Directors may determine from time to time. The Directors may in their absolute discretion waive the payment of interest, wholly or in part in the case of any person liable to pay such call or instalment.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

41. The Board may, if they think fit, subject to the provisions of Section 92 of the Act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares hold by him beyond the sums actually called for and upon the amount so paid or satisfied in advances, or so much thereof as from time to time exceeds the amount of the calls than made upon the shares in respect of which such advance has been made, the Company may pay interest provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Board may at any time repay the amount so advanced. The Company may pay interest at such rate not exceeding 18 % (Eighteen) or as determined by the Board from time to time unless the Company in General Meeting shall otherwise direct.
42. The members shall not be entitled to any voting rights in respect of the moneys so paid by them the same would but for such payment, become presently payable.

43. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

44. Subject to the provisions of the law of Evidence and Procedure, on the trial or hearing or any action or suit brought by the Company against any share holder or his representative to recover any debt or money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose on the Register of the Company as a holder or one of the holders, of the

number of shares in respect of which such claim is made and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Directors who made any call nor that a quorum of Directors was present at the Board at which any call was made nor that the meeting at which any call was made was duly convened or constituted, nor any other matter by the proof of the matters aforesaid shall be conclusive evidence of the debt.

45. No member shall be entitled to exercise any voting rights either personally or by proxy at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

46. A call may be revoked or postponed at the discretion of the Board.

47. The Directors may from time to time, at their discretion extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of residence at a distance or some other cause, may be deemed fairly entitled to such extension, but no member shall, as a matter of right, be entitled to such extension (save as a matter of grace and favour).

48. Every member, his executors or administrators shall pay to the Company the proportion of the Capital represented by his share or shares which may for the time being, remain unpaid thereon in such amount at such time or times and in such manner as the Directors shall, from time to time, in accordance with the Company's regulations, require or fix for the payment thereto.

SHARES AT THE DISPOSAL OF THE DIRECTORS

49. Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares. Provided that option or right to call on shares shall not be given to any person or persons without the sanction of the Company in a General Meeting.

FORFEITURE OF SHARES

50. If a member fails to pay any sum payable in respect of any call or any instalment of a call, on or before the day appointed for payment thereof, the Board may at any time there after during such time as any part of the said call or instalment remains unpaid, serve a notice on such member requiring payment of so much of the call or instalment as is unpaid together with any interest which may have accrued and all expenses that they may have been incurred by the Company by reason of such non-payment.

51. The notice aforesaid shall name a further day not being earlier than the expiry of thirty days from the date of service of notice, on or before which such call or payment required by notice, is to be made and a place at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall state that in the event of non-payment, on or before the date so named the shares in respect of which such call or instalment was payable shall be liable to be forfeited.

52. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may at any time thereafter, before the payment of calls or instalment, interest and expenses due in respect thereof has been made, be forfeited by a resolution of the Board to that effect. Such Forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture, subject to section 205 A of the Act.

53. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof shall forthwith be made in the Register of Members but no forfeiture shall in any manner be invalidated by any omission or failure to give such notice or to make such entry as aforesaid.

54. Any share so forfeited shall be deemed to be property of the Company, and may be sold or otherwise disposed off on such terms and in such manner as the Board thinks fit.

55. The Board may at any time before any share so forfeited shall have been sold or otherwise disposed off, annul the forfeiture upon such terms and conditions, as it thinks fit.

56. i). A person whose shares have been forfeited shall cease to be member in respect of forfeited shares, but shall not withstanding the forfeiture remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of the shares.
ii). The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares.
iii). The forfeiture of a share shall involve the extinction of all interest in and also for all claims and demands against the Company in respect of the shares and all other rights, incidental to the share except any such of those rights as by these Articles are expressly saved.

57. A duly verified declaration in writing that the declarant is a Director of the Company and that certain shares in the Company have been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. The Company may receive the consideration, if any, given for the shares on any sale or disposal thereof and may execute a transfer of share in favour of the person to whom the share is sold or disposed of. On receipt by the Company of the consideration, if any given for the shares on the sale or disposition thereof, the transferee shall be registered as the holder of such shares and the purchaser shall not be bound to see to the application of purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition.

58. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share becomes payable at a fixed time whether on account of the nominal value of the share or by way of premium as if the same has been payable by virtue of a call duly made and notified.

59. When any shares under the powers in that behalf herein contained are sold by the Directors and the certificate has not been delivered to the Company by the former holder of the said shares, the Directors may issue a new certificate for such shares distinguishing it in such manner as they may think fit from the certificate not so delivered.

60. Neither the receipt by the Company of a portion of any money which shall from time to time, be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money shall preclude the Board from thereafter proceeding to enforce a forfeiture of such shares as provided in these regulations for non-payment of the whole or any balance due in respect of the shares.

CONVERSION OF SHARES INTO STOCK

61. The Company may, by ordinary resolution:

    i) convert any paid-up shares into stock; and
    ii) reconvert any stock into paid-up shares of any denomination.

62. The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

    Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

COMPANY'S LIEN ON SHARES

63. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonus from time to time declared

in respect of such shares subject to section 205A of the Act. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if any on such shares. The Directors may, at any time declare any share wholly or in part to be exempt from the provisions of this clause.

64. For the purpose of enforcing such lien the Board may sell the shares in such manner as it thinks fit, but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executor or administrator or other legal representative as the case may be and default shall have been made by him or them in payment of the sum payable as aforesaid in respect of such share for fourteen days after the date of such notice.

65. The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon share before the sale) be paid to the person entitled to the share at the date of the sale.

66. Upon any sale after forfeiture or surrender or for enforcing a lien purported in exercise of the powers herein conferred, the Board may appoint some person to execute the instrument of transfer of the share sold and cause the purchaser's name to be entered in the Register in respect of the share sold and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money. After his name has been entered into the Register in respect of such share, the validity of the sale shall not be impeached by any person on any ground whatsoever and the remedy of any person aggrieved by such sale shall be in damages only and against the Company exclusively.

TERM OF ISSUE OF DEBENTURE

67. Any debentures, debentures stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

68. The Company may carry out consolidation and re-issuance of its debt securities, pursuant to and in terms of the provisions of Regulation 20A of the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, as may be amended, from time to time.

TRANSFER AND TRANSMISSION

69. Save as provided in Section 108 of the Act, no transfer of share shall be registered unless a proper instrument duly stamped and executed by or on behalf of the transferor and by or on behalf of transferee and specifying the name, address and occupation of the transferee has been delivered to the Company along with the certificate relating to the shares or if no such certificate is in existence along with the letter of allotment of the shares, in accordance with the provisions of Section 108 of the Act. The transferor shall be deemed to remain a member in respect of such share until the name of the transferee is entered in the Register in respect thereof. The signature of one credible witness who shall add his address shall duly attest each signature to such transfer. Provided, that, where on application in writing made to the Company by the transferee and bearing the stamp required for an instrument of transfer, it is proved to the satisfaction of the Board that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as the Board may think fit so as to indemnify the Company.

70. Application for the registration of the transfer of a share may be made either by the transferor or the transferee, provided that, where such application is made by the transferor, no registration shall, in the case of the partly paid share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 110 of the Act, and subject to the provisions of these Articles, the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

71. Every instrument of transfer of shares shall be in the form prescribed under the Act or as near thereto as the circumstances may admit and shall be in accordance with the provisions of Section 108 of the Act, from time to time.

72. No fee shall be charged for transfer of shares/ debentures or for effecting transmission or for registering any letters of probate, letters of administration and similar other documents.

73. Nothing contained in Article 70 and 71 shall apply to transfer of a security effected by the transferor and the transferee both of whom are entered as Beneficial Owners in the records of a Depository.

74. No fee may be charged:
a). For splitting up, sub-division and consolidation of shares and debenture certificates and for splitting up and sub-division of Letters of Allotment and splitting, consolidation, renewal into denomination corresponding to the market Units of trading as per Rules of Stock Exchange concerned.
b). For sub-division of right shares offered to share holders.
c). For issue of new certificates in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilised.
d). For registration of any power of attorney, probate or will, Letter of Administration or similar other documents.

75. Subject to the provisions of Section 111A of the Act the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not as affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares, transfer of shares/debentures in whatever lot shall not be refused.

76. Every instrument of transfer shall be left at the office of the Company for registration, accompanied by the certificate, of the shares to be transferred or if there is no certificate, the letter of Allotment thereto and such other evidence as the Board may require to prove the title of the transferor or his right to transfer the share. The Board may waive the production of any certificates upon production of evidence to them of its having been lost or destroyed. The Company shall retain every instrument of transfer, which shall be registered,, but any instrument of transfer which the Board may refuse to register shall be returned to the person depositing the same.

77. Subject to the provisions of Section 154 of the Act, the registration of transfer may be suspended at such times and for such periods as the Board may from time to time determine. Provided that, such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

78. If the Board refuses to register the transfer of or the transmission by operation of law of the right to any share, the Company shall within two months from the date on which the instrument of transfer or the intimation of such transmission, as the case may be, give notice of such refusal.

79. The executor or administrators of a deceased member (not being one of several joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member. In case of the death of any one or more of the joint holders of any egistered shares, the survivors shall be the only person recognised by the Company as having any title to or interest in such shares. But nothing herein contained shall be taken to release Board may require him to obtain a Grant of Probate or letters of Administration or other legal representation as the case may be from some competent court. Provided nevertheless that in any case where the Board in its absolute discretion think fit, it shall be lawful for the Board to dispense with the production of Probatory letters of Administration or such other legal representation upon such terms as to indemnify or otherwise as the Board in its absolute discretion may consider necessary.

80. Any committee or guardian of a lunatic or infant member or any person be coming entitled to transfer of shares in consequence of the death, bankruptcy, insolvency of any member, upon producing such evidence that he sustains the character in respect of which he proposes to act under the Articles or of the title as the Board thinks sufficient, may with consent of the Board (which it shall not be under any obligation to give) be

registered as a member in respect of such shares or any subject to the regulations as to transfer herein before contained.(The Article is hereinafter referred to as 'The transmission Article).

81. Subject to Sec.205A of the Act, the Directors may retain the dividend payable upon the share to which any person becomes entitled to under Article 83 until such person shall become a member in respect of the shares.

82. a) If the person becoming entitled to shares under Article 83 shall elect to be registered as member in respect of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
b) If the person aforesaid shall elect to transfer the shares, he shall testify his election by execution of an instrument of transfer of shares.
c) All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of share shall be applicable to any such notice or transfer as aforesaid as if the death, insanity, bankruptcy or insolvency of the member had not occurred and the notice of transfer were a transfer signed by that member.

83. A person so becoming entitled under the transmission Articles to a share by reason of death, lunacy, bankruptcy or insolvency of a member shall, subject to the provision of the Articles or Section 206 of the Act, be entitled to the same dividend and other advantages to which he would be entitled if he was the member registered in respect of the share except that he shall not before being registered as a member in respect of the share be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give notice requiring any such person to elect either to be registered himself or to transfer the share and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other money payable in respect of the share, until the requirements of the notice have been complied with.

84. The Company shall incur no liability or responsibility in consequence of its registering to give effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register) to be prejudice or persons having or claiming any equitable right, title or interest to or in the said shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of the Company and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard or attend to any such notice and give effect thereto.

BORROWING POWERS

85. The Board may from time to time subject to the sections 58A, 292 and 293 of the Act, at their discretion raise or borrow any sum or sums of money for the purpose of the Company and subject to the applicable provisions of the Act may secure payment or repayment of same in such manner and upon such terms and conditions in all respect as may be prescribed by the Board, in particular by the creation of any mortgage *or charge or other encumbrances on any of the immovable properties of the company or* hypothecation, pledge or charge on and over the Company's stocks, book debts and other movable properties.

86. The Board may raise or secure the payment of such sum or sums in such manner and upon such terms and conditions as they think fit and in particular, by the issue of bonds, perpetual or redeemable debentures or debenture-stock or any mortgage, charge or other security on the undertaking of the whole or any part of the property (both movable and immovable) of the Company both present and future including its uncalled capital for the time being or by giving, accepting or endorsing on behalf of the Company any promissory notes, bills of exchange or other negotiable instruments and no debenture shall carry any voting right whether generally or in respect of any particular class or classes of business.

87. If any uncalled capital is included in or charged by any mortgage of other security, the Directors may, by instrument under the Seal authorise the person in whose favour such mortgage or security is executed or any other person in trust for him to make calls on the member in respect of such uncalled capital, and the provisions herein before contained in regard to calls shall, mutatis mutandis apply to calls, made under such

authority and may be made exercisable either conditionally and either presently or contingently and either, to the exclusion of the Director's powers or otherwise, and shall be assignable if expressed so to do.

88. Any debenture-stock or other securities may be issued at a discount premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges such as warrants etc. and conditions as to redemption, surrender, drawing, allotment of shares, attending at General Meeting, appointment of Directors and otherwise. The power to issue debenture stock or other securities with a right to allotment of or conversion into shares of any denomination shall only be exercised by the Company in the General Meeting.

89. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificates of the debentures.

90. If the Board refuses to register the transfer of any debentures of the Company, it shall within two months from the date on which the instrument of transfer was lodged with the Company, send to the transferee and to the transferor notice of the refusal.

91. Subject to section 201 of the Act, if any Director or any other person shall become personally liable for the payment of any sum primarily due from the Company, the Board may execute or cause to be executed any mortgage, charge or security cover for effecting the whole or any part of the assets of the Company by way of indemnity to secure the Director or any person so becoming liable, as aforesaid, from any loss in respect of such liability.

92. Subject to Section-58A, 292 and 293 of the Act and the Companies (Acceptance of Deposits) Rules, 1975 the Company may receive deposits on such terms and conditions and bearing interest at such rates as the Board may decide and fix and which may be made payable monthly, quarterly, half yearly or yearly.

93. The Company may subject to the provisions of Section 208 of the Act, pay interest on so much of the share capital as is for the time being paid up and was issued for the purpose of raising money to defray the expenses of the construction of any work or building or the provision of any plant, which cannot be made profitable for a lengthy period.

94. Debentures/debenture stock, loan/loan stock, bonds or other securities conferring the right to allotment or conversion into shares or the option or right to call for allotment of shares shall not be issued except with the sanction of the Company in General Meeting.

PROCEEDINGS AT GENERAL MEETING

95. In addition to any other meetings, a general meeting of the Company shall be held within such interval as specified in Section 166(1) of the Act, and subject to the provisions of Section 166(2) of the Act, at such times and places as may be determined by the Board. Each such general meeting shall be called an 'Annual General Meeting' and shall be specified as such in the notice convening the meeting. Any other meeting of the Company shall be called an Extra Ordinary General Meeting.

96. The Board may, whenever it thinks fit, call an Extra Ordinary General Meeting. If at any time there are not within India Directors capable of acting who are sufficient in number to form a quorum, the Directors present in India may call an Extra Ordinary General Meeting, in the same manner and as nearly as possible as that in which such a meeting may be called by the Board.

97. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members or other persons entitled to receive such notice shall not invalidate any resolution passed at any such meeting.

98. No business shall be transacted at General Meeting of the Company unless a quorum of members is present at the time when the meeting proceeds to commence business. Five members present in person shall be the quorum for the meeting of the Company. No business shall be transacted at any General Meeting unless the requisite quorum shall be present throughout the meeting.

99. Any act or resolution which, under these Articles or the Act is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently so done or passed if effected by an ordinary resolution

as defined in Section 189(1) of the Act unless either the Act or the Articles specifically require such act to be done or resolution to be passed by a special resolution as defined in Section 189(2) of the Act.

100. The Chairman of the Board shall take the chair at every General Meeting. If there be no such Chairman or if at any meeting he shall not be present within fifteen minutes, or is unwilling to act, or if any of the Directors present decline to take the chair, then the members present shall choose one of their members being a member entitled to vote to be the Chairman of the meeting.

101. If at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the Meeting if convened by or upon the requisition of Members shall stand dissolved. In any other case the Meeting shall stand adjourned in the same day in the next week or if that day is public holiday until the next succeeding day which is not a public holiday at the same time and place or to such other day and at such other time and place in the city or town in which the office of Company is for the time being situate, as the Board may determine, and if at such adjourned Meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present, shall be a quorum and may transact the business for which the Meeting was called.

102. a) Every question submitted to a meeting shall be decided, in the first instance by a show of hands and in the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting shall be entitled to a second or casting vote in addition to the vote to which he may be entitled as a member.
b) A declaration by the Chairman that a resolution has on a show of hands been carried unanimously or by a particular majority or lost and an entry to that effect in the minutes shall be conclusive evidence of the fact without further proof.

103. The Chairman of a General Meeting may adjourn the same from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place. When a meeting is adjourned it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

104. At any General Meeting unless a poll is demanded before or on the declaration of the result of the voting on any resolution and on the show of hands demanded by the Chairman or by members holding not less than one-tenth of the total voting power in respect of the resolution or by members holding shares on which an aggregate sum of not less than fifty thousand rupees has been paid up, a declaration by the Chairman that a resolution has been carried unanimously or by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book containing the minutes to the proceedings of the meeting of the Company shall be conclusive evidence of the fact without proof of the number of proportion of the votes recorded in favour or against the resolution.

105. a) If a poll is demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman of the meeting.
b) The person or persons who made the demand may withdraw the demand for a poll at any time before the poll is taken.
c) Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutinizers, at least one of whom shall be a member (not being an officer /employee of the Company) present at the meeting, provided such a member is available and willing to be appointed, to scrutinise the votes given on the poll and to report thereon to him.
d) The result of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was taken. On poll a member entitled to more than one vote or his proxy or other persons entitled to vote for him, as the case may be need not, if he votes, use all his votes or casting the same way all the votes he uses.
e) The demand for poll shall not prevent the meeting from transacting any business other than the business in respect of which a poll has been demanded.

VOTES OF MEMBERS

106. Subject to any rights or restrictions for the time being attached to any class or classes of shares:
a) on a show of hands, every member present in person, shall have one vote, and
b) on a poll, the voting rights of Members shall be as laid down in Section 87 of the Act.

107. Except as conferred by Section 87 of the Act the holders of preference shares shall have no voting right. Where the holder of any preference share has a right to vote on any resolution in accordance with the

provisions of Sub-Section 2 of Section 87 of the Act, his voting right on a poll as the holder of such share shall subject to the provision of Section 89 and sub-section (2) of Section 92 of the Act be in the same proportion as the Capital paid in respect of the preference share bears to the total paid up equity capital of the Company.

108. Where a Company or body-corporate (hereinafter called "Member Company") is a member of the Company a person duly appointed by resolution in accordance with Section 187 of the Act to represent such member Company at a meeting of the Company shall not by reason of such appointment, be deemed to be a proxy and the production at the meeting of the copy of such resolution duly signed by one director of such member company and certified by him as true copy of the resolution shall, on production thereof at the meeting be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy on behalf of the same member company or body-corporate which he represents, as that member Company or body corporate could exercise if it were an individual member.

109. Where there are joint registered holders of any shares any one of such persons may vote at any meeting either personally or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of the said persons so present whose name stands first in the Register in respect of such shares shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this Article be deemed joint-holders thereof.

110. If any Member were unsound mind he may vote whether on show of hands or at a poll by his committee curator bonis or other legal curator and such last mentioned persons may give their vote by proxy on a poll. If any Member is a minor, his guardian may give the vote in respect of his share. If more than one person claim to exercise the right of vote under this clause, the Chairman of the Meeting may select in his absolute discretion any one person and will accept his vote.

111. No Member not present in person shall be entitled to vote on a show of hands, unless such member is a company or corporation present by a representative who may vote on the resolution as if he were a member of the Company.

112. On a poll, votes may be given either personally or by proxy or in the case of a Company, by a representative duly authorised as aforesaid.

113. Any Member of a Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person whether a member or not, as his proxy to attend and vote instead of himself but the proxy so appointed shall not have any right to speak at the meeting and shall not be entitled to vote except on a poll.

114. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if such appointer is a body corporate under its common seal or under the hand of its attorney duly authorised. A proxy who is appointed for a specified meeting only shall be called a special proxy. Any other proxy shall be called a general proxy.

115. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarial certified copy of that power or authority shall be deposited at the office not less than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote and in default, the instrument of proxy shall not be treated as valid.

116. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal or the revocation of the instrument of proxy or of the authority under which the proxy was executed or transfer of the shares in respect of which the proxy is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been received by the Chairman at the office before the commencement of the Meeting provided nevertheless that the Chairman of any meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and that the same has not been revoked.

117. Every instrument appointing a special proxy shall, as nearly as circumstances admit, be in any of the forms as set out in Schedule IX to the Act or a form as near thereto as circumstances admit.

118. No Member shall be entitled to exercise any voting rights, either personally or by proxy, at any meeting of the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.

119. i). Any objection as to the admission or rejection of a vote, on a show of hands or on a poll made in due time shall be referred to the Chairman of the meeting who shall forthwith determine the same and such decisions shall be final and conclusive.

ii). No objection shall be raised to the qualification of any voter except at meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.

DIRECTORS

120. a) The number of Directors of the Company shall not be less than three and not more than twelve (maximum).

b) The first Directors of the Company were

1. Mr. Anil Malhan
2. Mr. Vikas Saxena
3. Mr. Ashok Sharma

121. The management of the Company shall vest in the Board of Directors.

122. Not less than two-thirds of total number of Directors of the Company shall:

(a) be persons whose period of office is liable to determination by retirement of Directors by rotation; and

(b) save as otherwise expressly provided in the Act or these presents be appointed by the Company in General Meeting.

123. The Company in the General Meeting may, subject to provision of these presents and Section 259 of the Act, by special resolution, increase or reduce the number of its Directors.

124. The Directors shall have powers at any time and from time to time to appoint any other person as a Director as an addition to the Board but so that the total number of Directors shall not at any time exceed the maximum number fixed by these Articles. Any Director so appointed shall hold office only up to the date of the next following Annual General Meeting of the Company but shall be eligible for re-election at such meeting.

125. Subject to the provisions of Section 313 of the Act or any statutory modification thereof, the Board shall have power to appoint any person to act as alternate director for a director during the latter's absence for a period of not less than three months from the State in which meetings of the Directors are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meetings of the Board and to attend and vote there at accordingly but he shall not be required to hold any qualification shares, if any, and shall 'ipso facto' vacate his office if and when the original Director returns to the State in which meetings of the Board are ordinarily held or if the original director vacates his office as director.

126. A director need not hold any share in the Company in his name as his qualification, but nevertheless shall be entitled to attend, speak and preside at any general meeting of the Company and at any separate meeting of the holders of any class of shares in the Company.

127. Each Director, other than the whole time paid Directors, may be paid such fee as may be notified by the Central Government from time to time pursuant to Section 310 of the Act and as approved by the Board, for each meeting of the Board of Directors or a Committee thereof attended by him. The Directors may also be paid the expenses as decided by Board, from time to time, in attending the meeting of the Board or a Committee of Board.

128. In addition to the fee payable to the Directors under Article 126 hereof, the Directors may be paid reasonable traveling, hotel and other expenses in attending and returning from the meetings of the Board of Directors or any Committee thereof or in connection with the business of the Company as decided by the Board.

129. Subject to Section 198, 309, 310 and 314 of the Act, if any Director or Directors being willing shall be called upon to undertake and /or perform extra professional or other services or to make any special exertion in

going or residing outside the office for any of the purposes of the Company or in giving special attention to the whole of or any part of the Business of the Company, the Board may remunerate such Director.

130. The continuing Directors may act notwithstanding any vacancy in the Board but, if and so long as their number is reduced below the quorum fixed by these presents for a meeting of the Board, the continuing Directors or Director may act for the purposes of increasing the number of Directors to that fixed for the quorum or of summoning of general meeting of the Company, but for no other purpose.

131. Subject to the approval of the Board of Directors, a Director of the Company may be or become a Director of any company promoted by this Company or in which it may be interested as vendor, shareholder or otherwise and no such directors shall be accountable for any benefits received as a Director or member of such company.

132. Subject to the fulfillment of the requirements of the provisions of Sections 297 to 301 of the Act, a Director shall be disqualified from contracting with the Company either as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any shares in or debentures of the Company and any such contract or arrangement entered into by or on behalf of the Company with a relative of such Director or a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a member or Director be void, and any Director so contracting or being such member so interested be liable to account to the Company for any profit realised by such contract or arrangement by reason of such Director holding this office or of the fiduciary relation thereby established.

133. The Company may, subject to the provisions of Sec.284 of the Act by ordinary resolution of which special notice according to Section 190 of the Act has been given, remove any Director before the expiry of his period of office and may by ordinary resolution of which special notice has been given, appoint another person instead of the removed Director. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been so removed. If the vacancy created by the removal of a Director under the provisions of this Article is not so filled by the meeting at which he is removed, the Board may at any time thereafter fill such vacancy under the provisions of these Articles.

134. If the office of any Director appointed by the Company in General Meeting is vacated before his term of office will expire, in the normal course, the resulting vacancy may be filled by the Board at a meeting of the Board, but any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been so vacated, provided that the Board shall not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under these Articles.

135. Subject to Section 259 of the Act the Company may by special resolution from time to time, increase or reduce the number of Directors, and may either alter their qualification and the Company may (subject to the provision of requirement Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

PROCEEDINGS OF DIRECTORS' MEETINGS

136. a) The Directors may meet together for the despatch of business and may adjourn and otherwise regulate their meetings and proceedings as they may think fit, subject to the provision of Section 285 of the Act.

b) The Chairman, Director or any officer authorised by the Directors may call a meeting of the Board of Directors.

c) Subject to the provisions of Section 316, 372A(2) and 386 of the Act, questions arising at any meeting of the Directors shall be decided by a majority of votes and in case of any equality of votes the Chairman shall have a second or casting vote.

137. Notice of every meeting of the Board or a Committee thereof shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.

138. Subject to Section 287 of the Act, the quorum for the meeting of the Board shall be one third of its total strength or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength in number, the remaining Directors, that is to say, the number of Directors who are not interested, present at the Meeting being not less than two, shall be the quorum during such meeting.

139.a) The Board shall appoint from amongst its members a Chairman.

b) If at any meeting of the Board the Chairman shall not be present within thirty minutes of the time appointed for holding the same or if he is unable or unwilling to take the Chair then the Board may elect one of their other members to act as the Chairman of that meeting.

140.A meeting of Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the Articles or the Act for the time being vested in or exercisable by the Board.

141.Subject to the provisions of Section 292 and 293 of the Act, the Board may from time to time delegate any of its powers to a committee consisting of such member or members of their body, managers and other officer(s) of the Company as it may think fit and may revoke such delegation. Any Committee so formed shall, in exercise of the power so delegated, conform to any regulation that may from time to time be imposed upon it by the Board. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereof and are not superseded by any regulations made by the Directors under this Clause.

142.All acts done at any meetings of the Directors or of a Committee or by any person acting as a Director, shall notwithstanding that it may afterwards be discovered that there was some defect in the appointment of such Directors or person acting as aforesaid or that they or any of them were disqualified, be as valid as if every such Director or person had been duly appointed and was qualified to be a Director or a member of a Committee.

143.Save for the purpose of Sections 262, 292, 297,316, 372A and 386 of the Act, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Directors or of the Committee thereof duly called and constituted if it is circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or members at their usual address in India and has been approved by such of the Directors or members as are then in India or by a majority of such of them as are entitled to vote on the resolution.

POWERS OF THE BOARD

144.Subject to the provisions of the Act, the Board shall be entitled to exercise all such powers, and to do all such acts and things, as the Company is authorised to exercise and do; provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of Association of the Company or by these Articles or otherwise, to be exercised or done by the Company in General Meeting. Provided further, that in exercising any such powers or doing any such Act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of Association of the Company or in these Articles or in any regulations made by the Company in General Meeting but no regulations, made by the Company in General Meeting shall invalidate any prior act of the Directors which would have been valid if that regulation had not been made.

145.The Company may exercise the powers conferred on it by Sections 157 and 158 of the Act with regard to keeping of a foreign Register and the Board may (Subject to the provisions of these sections) make and vary such regulations as it may think fit in respect of the keeping of any such register.

146.Every debenture or other instrument issued by the Company for securing the payment of the money may be so framed that the moneys thereby secured shall be assigned free from any equities between the Company and the person to whom the same may be issued. Any debentures, debenture-stock, bonds or other instruments or securities may be issued at a discount, premium or otherwise and may be issued on a condition that they shall be convertible into any shares of any denomination and with any special privileges as to redemption surrender, drawing and allotment of shares or otherwise, provided that the debentures with right to conversion into or allotment of shares shall not be issued without consent of the Company in General Meeting.

147.Every Director present at any meeting of the Board or of a Committee thereof shall sign his name in a book kept for that purpose.

148. The following powers shall be exercised by the Board or any Committee of the Board, or otherwise by the Company as may be so required:

a) To voluntarily liquidate the Company.
b) To increase or reduce the Company's capital.
c) To issue and allot new shares.
d) To make any Rights Issue of shares.
e) To adopt any resolution to alter the Memorandum and Articles of Association.
f) To join any other company or to invest in any other company.
g) To Issue Debentures.
h) To undertake or permit any merger, consolidation or reorganisation of the Company.
i) To decide on the declaration of dividends and appropriation of profits.
j) Subject to the provisions of Section 372-A of the Act, to give to make any loan to any person or other body corporate or give guarantee or provide security in connection with a loan made by any other person to or to any other person by any body corporate.

MANAGING / WHOLE TIME DIRECTORS

149. The Company by ordinary resolution or the Board of Directors may, subject to the provisions of sections 268, 269 and 314 and schedule XIII of the Act, from time to time appoint one or more of the Directors to be Managing Director(s) or other Whole time Director(s) of the Company, for a term not exceeding five years at a time and may from time to time (subject to the provisions of any contract between him or them and the Company) remove him or them from office by following the statutory procedures and appoint another or others in his or their place or places.

150. Subject to the provisions of Sections 198, 309, 310 and 311 of the Act, a Managing Director or whole-time Director shall in addition to the usual remuneration payable to him as a director of the Company under these Articles, receive such additional remuneration as may from time to time be sanctioned by the Company and may be by way of fixed salary or at a specified percentage of the net profits of the Company or both, or in any other manner and extent otherwise determined. The Remuneration of Managing Director / whole time Director shall be deemed to accrue from day to day.

MANAGER

151. Subject to the provisions of section 197 A and 388 of the Act, the Board shall have power to appoint or employ any person to be the Manager of the Company upon such terms and conditions as the Board thinks fit and the Board may, subject to the provisions of Section 292 of the Act, vest in such manager such of powers, vested in the Board, as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to restrictions as it may determine and at such remuneration as it may think fit.

152. A Director may be appointed as General Manager/ Manager subject to Section 197 A, 314 and 388 of the Act.

SECRETARY

153. Subject to the section 383A of the Act, the Board may from time to time appoint or employ any person to be secretary of the Company upon such terms, conditions and remuneration as it thinks fit to perform any functions which by the Act or the Article for the time being of the Company are to be performed by the secretary and to execute any other purely ministerial or administrative duties which may from time to time be assigned to the secretary by the Board. The Board may, subject to the provisions of the Act, also at any time appoint some person (who need not be the secretary) to keep the registers required to be kept by the Company.

154. Subject to the provisions of the Act, a Director may be appointed as a secretary.

THE SEAL

155. a) The Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy and substitute a new seal in lieu thereof and provide for its safe custody.

b) The seal shall not be affixed to any instrument except in the presence of a Director or an officer duly authorised who shall sign every instrument to which the seal shall be affixed. Provided, nevertheless, that any instrument other than a share certificate bearing the seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same. Provided further that in respect of issue of share certificates the provisions of the Companies (Issue of Shares Certificates) Rules, 1960 shall apply.

c) Subject to the provisions of Sections 50 of the Act the Directors may provide for use of an official seal in any territory outside India.

ANNUAL RETURN

156.The Company shall make the requisite Annual Return in accordance with Section 159 and 161 of the Act.

RESERVE

157.The Board may subject to Section 205 (2A) of the Act from time to time, before recommending any dividend set apart any portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company or for equalisation of dividends or for repairing, improving or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company and may, subject to the provisions of Sections 372A of the Act, invest the several sums so set aside upon such investments (other than shares in the Company) as it may think fit and may from time to time deal with and vary such investments and dispose of all or any part thereof for the benefit of the Company and may divide the reserves into such special funds as it thinks fit, with full power to employ the reserve or any part thereof in the business of the Company and that without being bound to keep the same separated from the other assets. The Board may also carry forward any profits, which it may think prudent not to divide without setting them aside as a reserve.

158.All moneys carried to the reserves shall nevertheless remain and be the profits of the Company available. Subject to due provisions being made for actual loss or depreciation, for the payment of dividends and such moneys and all other moneys of the Company not immediately required for the purpose of the Company may, subject to the provisions of Section 372A of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or be kept at any Bank or deposit or otherwise as the Board may from time to time think proper.

CAPITALISATION OF PROFITS / RESERVES

159.(1)The Company in General Meeting may, upon the recommendation of Board, resolve:

a) To capitalise whole or any part of the amount for the time being standing to the credit of any of the Company's reserve account, or to the credit of the profit and loss account or otherwise available for distribution and

b) That such sum be accordingly set free for distribution in the manner specified in sub-clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in sub-clause (3) below, either in or towards:

a) Paying up any amounts for the time being unpaid on any shares held by such members respectively.

b) Paying up in full, un-issued shares of the Company to be allotted and distributed, credited as fully paid up, to and among such members in the proportion aforesaid or,

c) Partly in the way specified in (i) and partly in that specified in (ii) above.

(3) A share premium account and a capital redemption reserve fund may, for the purposes of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares or for any other purpose specified in Section 78 of the Act.

(4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article.

160.1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

a) Make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid shares if any; and

b) Generally do all acts and things required to give effect thereto.

2) The Board shall have full power:

a) To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of shares becoming distributable in fractions and,

b) To authorise any person to enter, on behalf of the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares.

3) Any agreement made under such authority shall be effective and binding on all such members.

DIVIDENDS

161.Subject to the rights of members entitled to a share (if any) with preferential or special rights attached thereto the profits of the Company which shall from time to time be determined to be divided in respect of any year or other period shall be applied in the payment of dividend on the Equity Shares of the Company, but so that the holder of a partly paid up share shall be only entitled to such proportion of the distribution upon a fully paid up share proportionately to the amount paid or credited thereon during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. Where capital is paid in advance of calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.

162.The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles shall be divisible among the Members in the proportion of the amount of capital paid or credited as paid up on the shares held by them respectively.

163.The Company in Annual General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may, subject to the provisions of Section 207 of the Act, fix the time for payment.

164.No larger dividend shall be declared than that recommended by the Board, but the Company in general meeting may declare a smaller dividend.

165.No dividend shall be payable except out of profits of the Company or out of moneys provided by the Central or State Government for the payment of Dividend in pursuance of any guarantee given by such Government and no dividend shall carry interest against the Company.

166.The Directors, if in their opinion the position of the Company justifies, may from time to time, without the sanction of a general meeting pay interim dividend to one or more classes of shares to the exclusion of others at rates, which may be differing from class to class. When declaring such dividend they should satisfy themselves that the preference shares, which have a prior claim in respect of payment of dividend, should have their entire rated dividend at the time of final preparation of the accounts of the period

167.No members shall be entitled to receive payment of any dividend or interest in respect of his share or shares whilst any money be due or owing from him as is presently payable to the Company in respect of such share or shares otherwise on account of any debts, liabilities or engagements of the members of the Company either alone or jointly with any other person or persons and the Directors may deduct from the dividend or interest payable to any member all sums of money so due from him to the Company Subject to Section 205 A of the Act.

168.Any general meeting declaring a dividend may make a call on the members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may if so arranged between the Company and the member, be set of against the call Subject to Section 205 A of the Act. The making of a call under this Article shall be deemed ordinary business of an annual general ordinary meeting which declares dividend.

169.A transfer of share shall not pass the right to any dividend declared thereto before the registration of the transfer by the Company.

170.Subject to Section 205 A of the Act the Directors may retain the dividends payable upon shares in respect of which any person is under the Transmission Article entitled to become a member or which any person under that Article is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.

171. The Directors may retain any dividend on which the Company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagement in respect of which the lien exists subject to Section 205 A of the Act.

172. Anyone of several persons who are members registered jointly in respect of any share may give effectual receipts for all dividends, bonuses and other payments in respect of such shares.

173. Notice of any dividends, whether interim or otherwise, shall be given to the person entitled to share therein in the prescribed manner, if any.

174. Unless otherwise directed in accordance with Section 206 of the Act, any dividend may be paid by cheque or warrant sent through the post to the registered address of the member or person entitled thereto or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding or to such person and at such address as the member or person entitled or sub joint-holders as the case may be, direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent or to the order of such other person as the member or person entitled or such joint holders as the case may be, may direct.

UNPAID OR UNCLAIMED DIVIDEND

175. Where the Company has declared a dividend but which has not been paid or the dividend warrant in respect thereof has not been posted within 30 days from the date of declaration to any shareholder entitled to the payment of the dividend, the Company shall within 7 days from the date of expiry of the said period of 30 days, open a special account in that behalf in any scheduled bank called "Unpaid Dividend of Indiabulls Commercial Credit Limited" and transfer to the said account, the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.

176. Subject to the provisions of Section 205B of the Act any money transferred to the unpaid dividend account of the Company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the Company to the Investor Education and Protection Fund ("Fund") and that no claim by any person to any money transferred to the Fund shall lie on or after the commencement of the Companies (Amendment) Act, 1999.

177. No unclaimed or unpaid dividend shall be forfeited by the Board and all unclaimed and unpaid dividends shall be dealt with as per Section 205 A and 205 B of the Act and the rules made there under.

178. The Company shall not be responsible for the loss of any cheque, dividend warrant or postal order sent by post in respect of dividends, whether by request or otherwise, at the registered address or the address communicated to the office before hand by the member or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the fraudulent recovery thereof by any other means.

BOOKS AND DOCUMENTS

179. The Directors shall cause to be kept in accordance with Section 209 of Act, proper books of account with respect to:

a) All sums of money received and spent by the Company and the matters in respect of which the receipts and expenditures take place including the Profit and Loss Account and cash flow statement.

b) All sales and purchase of goods by the Company.

c) The Balance Sheet depicting the assets and liabilities of the Company.

180. The books of accounts shall be kept at the Registered office or at such other place as the Board thinks fit and shall be open to inspection by the Directors during business hours.

181. The Directors shall from time to time, subject to the provisions of sections 163, 209 and 209 A of the Act, determine whether and to what extent and at what time and places and under what conditions, the documents and registers or any of them maintained by the Company of which inspection allowed by the Act, shall be

kept open for the inspection of the members. Till decided otherwise by the Board, such documents and registers shall be kept open for inspection to the persons entitled thereto between 11 A.M. and 1 P.M. on all working days. No member (not being a Director) shall have any right to inspection of any account or book or document of the Company except as conferred by law or by Act or authorised by the Directors or by resolution of the Company in General Meeting and no member, not being a director shall be entitled to require or receive any information concerning the business, trading or customers of the Company or any trade secret or secret process used by the Company.

AUDIT

182. Once at least in every year the books of accounts of the Company shall be examined and audited by one or more Auditor or Auditors.

183. The Company at each annual general meeting shall appoint an auditor or auditors to hold office until the next annual general meeting and their appointment, remuneration, rights and duties shall be regulated by sections 224 to 227 of the Act.

184. Where the Company has a branch office, the provision of section 228 of the Act shall apply.

185. All notices of and other communications relating to any General Meeting of the Company which any member of the Company is entitled to have been sent to him shall also be forwarded to the Auditor of the Company and the Auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor.

186. The Auditors' Report shall be read before the Company in Annual General Meeting and shall be open to inspection for any member of the Company.

187. Every Balance Sheet and Profit and Loss Account of the Company when audited and adopted by the Company in Annual General Meeting shall be conclusive, in respect of transactions of the Company for the relevant year.

SERVICE OF NOTICE AND DOCUMENTS

188. The Company shall comply with the provisions of Section 53, 172 and 190 of the Act as to the service of notices.

189. The accidental omission to give notice to or the non-receipt of notice, by any member or other person to whom it should be given shall not invalidate the proceedings at the meeting.

190. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share, shall be bound by every notice in respect of such share which previous to his name and address being entered in the register, shall have been duly given to the person from whom he derives his titles to such share.

191. The Signature to any notice to be given by the Company may be written, printed or lithographed.

192. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these Articles shall, notwithstanding such member then deceased and whether or not the Company has notice of his death, be deemed to have been duly served in respect of any share whether registered solely or jointly with other persons, until some other person be registered in his stead as the member in respect thereof and such service for all purposes of the Articles be deemed a sufficient service of such notice or document on his/her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share.

193. Any notice required to be given by the Company to the members or any of them and not expressly provided for by these Articles or by the Act shall be sufficiently given if given by the advertisement.

194. Any notice required to be or which may be given by the advertisement shall be advertised once in vernacular newspapers circulating in the neighbourhood of the registered office and once in English newspaper.

RECONSTRUCTION

195. On any sale of the whole or any part of the undertaking of the Company, the Board or the Liquidators on a winding up may, if authorised by special resolution, accept fully paid or partly paid-up shares, debentures or securities of any other company, whether incorporated in India or not either then existing or to be formed for the purchase in the whole or in part of the property of the Company and the Board (if the profits of the Company permit) or the Liquidators (in winding up) may distribute such shares or securities or any other property of the company amongst the members without realisation or vest the same in trustees for them and any special resolution may provide for the distribution or appropriation of cash, shares or other securities, benefits or property, otherwise than in accordance with the strict legal rights of the member, contributors of the Company and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of shares shall subject to the provisions of Section 395 of the Act be bound to accept as shall be bound by any valuation or distribution so authorised and waive all rights in relation thereto save only in case the Company is proposed to be or is in course of being wound up and subject to the provisions of Section 494 of the Act as are incapable of being varied or excluded by these Articles.

WINDING UP

196. On winding up preference shares rank as regards capital in priority to equity shares to the extent of the paid up value of the said shares but to no other rights or participating in its assets.

197. Subject to law of the land for the time being in force, if the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of said paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up on the shares held by them respectively, and if in a winding up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of winding up then the excess shall be distributed amongst the members in proportion to the paid up capital at the commencement of the winding up held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions, if any.

198. 1) In the event of the Company being wound up the holders of preference share, if any, shall be entitled to have the surplus assets available for distribution amongst members as such applied in the first place in repayment to them the amount paid up on the preference shares held by them respectively and any arrears of dividend upto the commencement of the winding up, whether declared or not. If the surplus assets available as aforesaid shall be insufficient to repay the whole of the amount paid up on the preference shares and any arrears of dividend, such assets shall be distributed amongst the holders of preference shares so that the losses shall be borne by the holders of preference shares as nearly as may be in proportion to the capital paid up or which ought to have been paid up on the shares held by them at the commencement of the winding up and the arrears of Dividend as aforesaid.

2). The assets, if any, available for distribution after payment to the preference share holders as aforesaid shall be distributed amongst the holders of equity shares in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the shares in respect of which they were respectively registered.

3) The Article is to be without prejudice to the rights and privileges amongst the holders of preference shares of different series.

SECRECY CLAUSE

199. Subject to the provisions of the Act, every Director, Manager, Auditor, trustee, Member of the Committee, Officer, servant, agent, accountant or other person employed in the business of the Company shall if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with the customers and the state of account with individuals and in matter relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a Court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

200. No member or other person (not being a Director) shall be entitled to visit or inspect any works of the Company or to enter upon the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Board or subject to Article 195 require discovery of or any information respecting any detail of the Company's trading or any matter which is or may be in the nature of trade secret mystery of trade, or secret process or of any matter whatsoever which may relate to the

conduct of the business of the Company and which in the opinion of the Directors it will not be in the interest of the Company to communicate.

INDEMNITY

201. Subject to Section 201 of the Act, Every Director, Manager, Secretary or Officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed Auditor shall be indemnified out of the funds of the Company, against all bonafied liability incurred by him as such Director, Manager, Secretary, Officer, employee or Auditor in defending any bonafied proceedings, whether civil or criminal or in which judgment is given in his favour or in which he is acquitted, or in connection with any application under Section 633 of the Act in which relief if granted to him by the Court.

SECTION IX- MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Draft Shelf Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts and also the documents for inspection referred to hereunder, may be inspected on Working Days at the Corporate Office of our Company situated at One International Centre, Senapati Bapat Marg, Elphinstone road, Mumbai – 400 013 between 10 am to 5 pm on any Working Day (Monday to Friday) from the date of filing of this Draft Shelf Prospectus with Stock Exchanges until the Issue Closing Date.

MATERIAL CONTRACTS

1. Issue Agreement dated March 31, 2021 between our Company and the Lead Manager.
2. Registrar Agreement dated March 30, 2021 between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated March 25, 2021 executed between our Company and the Debenture Trustee.
4. The agreed form of the Debenture Trust Deed to be executed between the Company and the Debenture Trustee.
5. Tripartite agreement dated July 15, 2016 among our Company, the Registrar and CDSL.
6. Tripartite agreement dated July 1, 2010 among our Company, the Registrar and NSDL.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.
2. Certificate of Incorporation of our Company dated July 7, 2006, issued by Registrar of Companies, National Capital Territory of Delhi and Haryana.
3. Certificate of registration dated April 16, 2015 bearing registration no. N-14.03136 issued by RBI.
4. Copy of shareholders resolution passed at the AGM of our Company held on August 1, 2018 under section 180 (1)(c) of the Companies Act, 2013 on overall borrowing limits of the Board of Directors of our Company.
5. Copy of the resolution by the Board of Directors dated January 10, 2019, approving the issue of NCDs.
6. Copy of the resolution passed by Bond Issue Committee at its meeting held on March 31, 2021, approving this Draft Shelf Prospectus.
7. Credit rating letter dated March 26, 2021 and credit rating rationale dated March 30, 2021 by CARE Ratings Limited assigning a rating CARE AA/Negative (Double A; Outlook: Negative) for the Issue.
8. Credit rating letter and credit rating rationale dated March 29, 2021 by Brickwork Ratings India Private Limited assigning a rating BWR AA+/Negative for the Issue.
9. Consents of the Directors, Chief Financial Officer, our Company Secretary and Compliance Officer, Lead Manager, Bankers to our Company, Legal Advisor to the Issue, Credit Rating Agencies, CRISIL for inclusion of the CRISIL Report, Registrar to the Issue and the Debenture Trustee to the Issue, to include their names in this Draft Shelf Prospectus, in their respective capacities.
10. Consent of the Statutory Auditors of our Company for inclusion of their name and the report on the Reformatted Financial Statements, the Limited Review Financial Results, in the form and context in which they appear in this Draft Shelf Prospectus.
11. Consent of A Sardana & Co., tax auditors of the Company, for inclusion their name and statement of tax benefits dated March 31, 2021, in the form and context in which they appear in this Draft Shelf Prospectus.
12. Statutory auditor’s examination report dated March 31, 2021 in relation to the Reformatted Financial Statements included therein.
13. The statutory auditor’s report dated November 11, 2020 and March 31, 2021 in relation to the Half-year Limited Review Financial Results and Nine-months Limited Review Financial Results respectively included therein.
14. Annual Report of our Company for the last five Fiscals.
15. In-principle approval from BSE by its letter no. [●] dated [●].
16. In-principle approval from NSE by its letter no. [●] dated [●].
17. Due diligence certificate dated [●] filed by the Lead Manager with SEBI.

Any of the contracts or documents mentioned above may be amended or modified at any time, without reference to the NCD 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 the relevant provisions of the Companies Act, 2013, as amended, relevant provisions of Companies Act, 1956, as applicable and rules prescribed thereunder to the extent applicable as on the date of the Draft Shelf Prospectus, the guidelines issued by the Government of India and the regulations and guidelines and circulars issued by the Reserve Bank of India and the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be have been complied with. We further certify that the disclosures made in this Draft Shelf Prospectus are true correct and in conformity with the Companies Act, 2013 read with rules prescribed thereunder, as amended, the relevant provisions of Companies Act, 1956, and the rules prescribed thereunder, to the extent applicable and in force as on the date of this Draft Shelf Prospectus,the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, provisions under the Securities Contracts (Regulation) Act, 1956, as amended and rules made thereunder, including the Securities Contracts (Regulation) Rules, 1957, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and no statement made in this Draft Shelf Prospectus is contrary to the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable to this Draft Shelf Prospectus.

We further certify that all the disclosures and statements in this Draft Shelf 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, misleading and that this Draft Shelf Prospectus does not contain any misstatements.

Signed by the Board of Directors of the Company

Ajit Kumar Mittal
DIN: 02698115
Chairman, Non-Executive Director

Rajiv Gandhi
DIN: 09063985
Managing Director & CEO

Anil Malhan
DIN: 01542646
Non-Executive Director

Priya Jain
DIN: 07157863
Non-Executive Director

Prem Prakash Mirdha
DIN: 01352748
Independent Director

Shamsher Singh Ahlawat
DIN: 00017480
Independent Director

Place: MUMBAI

Date: MARCH 31, 2021

ANNEXURE A

For the annexure, please see below.

CARE Ratings
Professional Risk Opinion

CARE/HO/RL/2020-2021/4866
Mr. Ramnath Shenoy
Executive Vice President
Indiabulls Commercial Credit Limited
Indiabulls Finance Centre, Tower – I,
17th Floor, Elphinstone Mills,
Senapati Bapat Marg,
Mumbai – 400 013

March 26, 2021

Confidential

Dear Sir,

Credit Rating for proposed Public Issue of Secured Redeemable Non-Convertible Debentures aggregating Rs.1,000 crore

Please refer to your request for rating of proposed Public Issue of Secured Redeemable Non-Convertible Debenture (NCD) issue aggregating to Rs.1,000 crore of your Company.

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

Instrument	Amount (Rs. crore)	Rating[1]	Rating Action
Proposed Public Issue of Secured Redeemable Non-Convertible Debentures	**1,000.00 (Rs. One Thousand Crore Only)**	**CARE AA; Negative (Double A; Outlook: Negative)**	**Assigned**

3. Please arrange to get the rating revalidated, in case the proposed issue is not made within a period of six months from the date of our initial communication of rating to you (that is September 26, 2021).

4. In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.

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

Instrument type	ISIN	Issue Size (Rs cr)	Coupon Rate	Coupon Payment Dates	Terms of Redemption	Redemption date	Name and contact details of Debenture Trustee	Details of top 10 investors

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

6. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which will be shared with you separately. We request you to peruse the document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible.
7. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
8. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the debt instruments, CARE shall carry out the review on the basis of best available information throughout the life time of such instruments. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
9. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.
10. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
11. CARE ratings are not recommendations to buy, sell, or hold any securities.

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

Thanking you,

Yours faithfully,

Mohit Sanjaykumar Dave
Analyst
mohit.dave@careratings.com

Himanshu Shantilal Shethia
Associate Director
himanshu.shethia@careratings.com

Encl.: As above

Disclaimer

CARE’s ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.
In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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.

Indiabulls Commercial Credit Limited

March 30, 2021

Ratings

Instruments / Facilities	Amount (Rs. crore)	Rating[1]	Rating Action
Non-Convertible Debentures	1,000 (Rs. One Thousand Crore)	**CARE AA; Negative [Double A; Outlook: Negative**	Reaffirmed
Public Issue of secured redeemable non-convertible Debentures	1,991.17 (Rs. One Thousand Nine Hundred Ninety-One Crore and Seventeen Lakh) (reduced from 2000)	**CARE AA; Negative [Double A; Outlook: Negative**	Reaffirmed
Subordinate Debt	500 (Rs. Five Hundred Crore)	**CARE AA; Negative [Double A; Outlook: Negative**	Reaffirmed
Commercial Paper	500 (Rs. Five Hundred Crore)	**CARE A1+ [A One Plus]**	Reaffirmed
Long term/Short Term Bank Facilities	8,000 (Rs. Eight Thousand Crore)	**CARE AA; Negative/CARE A1+ [Double A; Outlook: Negative/ A One Plus]**	Revised from CARE AA; Negative [Double A; Outlook: Negative]
Public Issue of secured redeemable non-convertible Debentures	1,000 (Rs. One Thousand Crore)	**CARE AA; Negative [Double A; Outlook: Negative]**	Assigned
Public Issue of Unsecured redeemable non-convertible Debentures	500 (Rs. Five Hundred Crore)	**CARE AA; Negative [Double A; Outlook: Negative]**	Assigned

Details of instruments/facilities in Annexure-1

** CARE has reduced the rated amount for NCD's on account of redemption*

Detailed Rationale & Key Rating Drivers

CARE has reaffirmed the ratings of various debt instruments and bank facilities of ICCL. The ratings assigned to various debt instruments of Indiabulls Commercial Credit Limited (ICCL) takes into account continued support from its parent, Indiabulls Housing Finance Limited (IBHFL). ICCL is a wholly owned subsidiary of IBHFL. The rating factors in strong operational and business linkages of ICCL with IBHFL. Further, CARE expects IBHFL to continue to support ICCL in terms of funding, management, common brand and operations over the medium term.

The ratings continue to factor in its established track record as one of the large HFCs, experienced management, strong capitalisation levels, and strong liquidity profile of the company. The ratings are constrained on account of continued challenges faced by the company in raising debt funds from the market resulting in reduction in diversification in its resources profile, weakening asset quality and lower business growth, which has resulted in degrowth in the loan book size. While, IBHFL has seen some improvement in resource raising, and has raised incremental funds by way of NCDs, bank lines, securitization, QIP and recently through FCCBs, a very significant proportion of such funding continues to come from the banking system. The financial flexibility remains constrained as the yields in the secondary market continue to remain at elevated levels. Ability of IBHFL to diversify its resource profile will remain a key monitorable

Disbursement during FY20 and FY21 has reduced significantly, which along with large securitisation and loan sell downs, has resulted in a sharp fall in on Balance Sheet loan book from Rs.92,298 crore as on March 31, 2019 to Rs.73,064 crore as on March 31, 2020 and further to Rs.70,282 crore as on December 31, 2020.

Also, the company has exposure to developer finance book, where the asset quality has been deteriorating and which is still facing headwinds and adverse economic environment.

Rating Sensitivities

Factors that could lead to positive rating action/upgrade

- Improvement in resource raising ability from diversified sources on a steady state basis to pre-September 2018 levels.
- Significant improvement in asset quality parameters

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

Factors that could lead to negative rating action/downgrade

- Deterioration in asset quality parameters with Gross NPA ratio of above 3%
- Persistent challenges in resource raising ability from diversified sources
- Significant impact on profitability on account of scale down of business / change in business model and/or due to change in operating environment
- Deterioration in liquidity position with diminishing coverage of liquid assets to next one year debt servicing below 60%

Outlook: Negative
Outlook continues to remain 'Negative' on account of continued reduction in the financial flexibility of IBHFL with reduction in diversification of resource profile on account of continued higher secondary bond market spreads, fall in market capitalization and the shift in the business model, which is yet to be scaled up significantly. The outlook would be revised to 'Stable' if the company is able to maintain the asset quality and the profitability at the earlier levels and is able to scale up the business in the new asset light business model in a profitable manner.

Detailed description of the key rating drivers
Key Strengths
Support from parent and strong operational and business linkages
ICCL is 100% owned subsidiary of IBHFL and therefore enjoys parent support with common key management, common business and credit team, treasury operations, branches and brand name.
Established track record of IBHFL as one of the large HFCs and experienced management
IBHFL has a track record of over two decades and is one of the large HFCs in India with AUM of Rs.86,566 crore as on December 31, 2020. The company has witnessed a board-level change as Mr Sameer Gehlaut has been replaced by Mr. SS Mundra, former deputy governor of Reserve Bank of India as the Non-Executive Chairman of the company. Mr. Gehlaut will continue to remain as founder and non-executive director. Mr. Mundra has held various level positions in public sector banks, including Chairman and Managing Director of Bank of Baroda, Executive Director of Union Bank of India and Chief Executive of Bank of Baroda (European Operations), amongst others. The operations would continue to be headed by Mr. Gagan Banga, (Vice-Chairman and Managing Director). The company has a team of senior management people with strong relevant experience and successful track record in their respective fields.
Comfortable capitalization levels
IBHFL has been maintaining comfortable capitalization levels and reported tangible net worth of Rs.15,073 crore (consolidated) as on March 31, 2020. The company had moderate overall gearing level of 5.04 times (P.Y.: 6.45 times) as on March 31, 2020. The company reported Capital Adequacy Ratio (CAR) (under Ind AS) of 27.09% (P.Y.:26.49%) with Tier I CAR: 20.31% (P.Y.: 19.81%) as on March 31, 2020. As on December 31, 2020, the company reported tangible net worth of Rs.15,405 crore and CAR of 30.49% with overall gearing of 4.25 times. Net debt to tangible net worth as on December 31, 2020 stood at 3.3x. The company has raised money through QIP and stake sale in Oak-North which had improved the overall capitalization and gearing in 9MFY21.
ICCL reported CAR of 32.44% and Tier I CAR of 29.54% as on March 31, 2020 (March 31, 2019: CAR: 27.88%). The increase in CAR is mainly on account of decrease in the loan portfolio of ICCL.
ICCL is moderately leveraged, with overall gearing at 1.79x times as on December 31, 2020 (December 31, 2019: 2.10x times).

Strong liquidity profile
IBHFL has been focusing on maintaining comfortable liquidity profile and has significantly reduced reliance on borrowing through Commercial Paper (CP) and is keeping adequate liquidity buffers. The asset liability maturity (ALM) profile as on September 30, 2020 was comfortable with no negative mismatch in all bucket. As on December 31, 2020, IBHFL had debt outflows of Rs.18,912 crore for the next 12 months and against the same, the company has liquid cash and equivalents of Rs. 12,954 crore. IBHFL also has unutilized committed lines worth around Rs.4,151 crore as on December 31, 2020.While the liquidity buffer maintained by IBHFL has reduced from around 12 months of debt repayment coverage, it still remains comfortable. IBHFL's policy, to have 15-20% of its loan assets in cash & cash equivalent along with unutilized bank lines, helps it in better liquidity management and to manage tighter liquidity scenarios.
Key Weaknesses
Challenges in resource mobilization with decline in financial flexibility
In the recent times, the increased risk averseness in the market towards the NBFC / HFC sector has continued posing challenges in resource mobilization. IBHFL continues to face challenges in raising funds through capital market along with high yields on its instruments in the secondary market. A significant majority of the funding source for the company remains Banking system. The company has raised funds mainly from public sector banks by way of bank lines, NCDs and sell downs. The company has demonstrated some improvement in financial flexibility after the recent placement of QIP, stake sale of Oak North Holdings and raising funds through FCCB.

The company has managed to raise debt capital of Rs.25,448 crore in 10MFY21 (Bank lines Rs.15,456 crore, NCD Rs.2780 crore and sell down Rs.7,212 crore). However, the funding sources remain concentrated within PSU Banks.
On a standalone basis, ICCL's total borrowings stood at Rs.8,726 as on March 31, 2020 in the form of Bank Loans (68.03%), Debentures (27.97 %), Sub-Debt (4.00 %).
ICCL's total borrowings stood at Rs.8,267 as on December 31, 2020 in the form of Bank Loans (69.28%), Debentures (26.50 %), Sub-Debt (4.22 %).

Weakening asset quality
IBHFL's asset quality weakened in FY20 as it reported Gross NPA ratio of 1.84% (P.Y.: 0.88%) and Net NPA ratios on AUM basis of and 1.24% (P.Y.: 0.69%) respectively as on March 31, 2020. During FY20, the company has witnessed higher slippages in the commercial credit loan portfolio, which has loans of larger ticket size, compared to slippages in retail home loan and loan against property (LAP) portfolio. Gross NPA of Corporate loans (Commercial credit book) increased to 6.32% as on March 31, 2020 as against 3.01% as on March 31, 2019. The retail portfolio (mortgage) has relatively shown better asset quality with Gross NPA ratio at 1.07% as on March 31, 2020 as against 0.35% as on March 31, 2019.
As on December 31, 2020, the company reported GNPA and NNPA ratio of 1.75% and 0.77% down from 1.98% and 1.46%, respectively in previous quarter on AUM basis partly due to the Supreme Court dispensation. Without taking into account the Supreme Court dispensation, the GNPA as on December 31, 2020 would have been 2.44% and NNPA would have been 1.46%.
ICCL's asset quality weakened in FY20 as it reported Gross NPA ratio of 2.56% (P.Y.: 1.12%) and Net NPA ratios of 2.00% on AUM basis (P.Y.: 0.84%) respectively as on March 31, 2020.
On Loan book basis, ICCL reported Gross NPA ratio of 2.94% (P.Y.: 1.26%) and Net NPA of 2.29% (P.Y.: 0.95%) respectively as on March 31, 2020.

Moderation in financial risk profile
IBHFL had seen AUM growth at a CAGR of 23% from Rs.52,235 crore as on March 31, 2015 to Rs.1,20,525 crore as on March 31, 2019. However, since September 2018, with the constrained market liquidity, IBHFL focused on maintaining adequate liquidity, reduced disbursements and reducing exposure to commercial real estate portfolio and the AUM stood at Rs.93,021 crore as on March 31, 2020. The loan book size stood at Rs.73,064 crore as on March 31, 2020, down 21% y-o-y.
IBHFL reported Profit after Tax (PAT) of Rs.2,200 crore on total income of Rs.13,223 in FY20 [refers to period from April 01 to March 31] as against PAT of Rs.4,091 crore on total income of Rs.17,027 crore in FY19 with Return on Total Assets (ROTA) of 1.89% as against 3.12%.
During FY21, the company saw reduced level of disbursements. As on December 31, 2020, the loan book size stood at Rs.70,282 crore, with a decline of around 3.45% over Q2FY21. IBHFL reported PAT of Rs.925 crore on total income of Rs.7,635 in 9MFY21 with ROTA of 1.27% on account of increased cost of borrowing and decreasing yields, as compared to PAT of Rs.2,063 crore on total income of Rs.10,393 crore and ROTA of 2.34% in 9MFY20.
During FY20, ICCL reported Profit after Tax (PAT) of Rs.20 crore on total income of Rs.2,191 in FY20 as against PAT of Rs.323 crore in FY19 on account of increased provisioning of Rs.953 crore.
During 9MFY21, ICCL reported Profit after Tax (PAT) of Rs.278 crore on total income of Rs.1,268 on account of reduced income due to reduction in the loan portfolio.

Exposure to relatively riskier business segments like corporate mortgage loans (mainly real estate loans); although decreasing
IBHFL has significant exposure to Corporate Mortgage Loans which majorly consists of Construction Finance and Lease Rental Discounts which constitutes ~15% of total AUM as on March 31, 2020 as against 16.9% as on March 31, 2019 and further reduced to ~13% as on December 31, 2020. The exposure is reducing in line with IBHFL's plans to reduce the corporate loan book.
However, this segment continues to face headwinds due to adverse economic environment and the asset quality in this segment remains one of the key rating monitorable along with over asset quality of the company.

Developments on the new business model to be monitored
While the company has been able to establish itself as a large Housing finance company in last two decades on the back of large on balance-sheet lending growth, the company's plan to move to asset light model, which will depend on co-origination and securitization. The company has been able to develop a franchise and distribution business for lending in past and its execution under the new business model needs to be monitored.
The company is in a transition phase with change in its business model to be asset light. The company would shift to a business model wherein it will focus on retail portfolio and majority of the assets under management (AUM) would be off-balance sheet with higher proportion of portfolio being built through co-origination and securitization tie-ups with banks. IBHFL's execution on this front on a large scale needs to be seen. Further, the company plans to significantly run-down its commercial real estate portfolio over the next few years.

Analytical Approach: CARE has analyzed ICCL's credit profile by considering the consolidated financial statements of IBHFL owing to financial and operational linkages between the parent and its subsidiaries and common management. List of entities considered for consolidated analysis are mentioned in Annexure 3.

Liquidity Profile: Strong
As on September 30, 2020, IBHFL's ALM showed no negative mismatch in all the time buckets. The company had a policy on maintaining liquidity of at least one year debt repayments but the cover has reduced as part of management strategy looking at high negative carry. As on December 31, 2020, IBHFL maintained pro-forma cash and liquid investments of ~Rs.12,954 crore in the form of Mutual Fund, Certificate of Deposits / Bank Bonds, Bank balances & Fixed Deposits and other liquid investments as against next one- year scheduled repayments of ~Rs.18,912, providing adequate cover. IBHFL also has unutilized committed lines worth around Rs.4,151 crore as on December 31, 2020.

Applicable Criteria:
Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings
CARE's Policy on Default Recognition
CARE's criteria for Housing Finance Companies
Criteria for Non-Banking Financial Companies
Financial ratios – Financial sector
Criteria for Short term Instruments
Factoring linkages in ratings

About IBHFL
IBHFL is registered with National Housing Board (NHB) and is engaged in the business of mortgage finance (home loans, loan against property and lease rental discounting), and corporate mortgage loans. IBHFL's portfolio consists of mortgage finance (housing loan and LAP) (85% of consolidated AUM of Rs.93,021 crore as on March 31, 2020) and corporate mortgage loans (15% of AUM) which is lease rental discounting and residential construction finance. Mr. S.S. Mundra is the new Chairman and Non-Executive Director and is supported by Mr. Gagan Banga, CEO, Vice Chairman and Managing Director and the rest of the team.

Brief Financials (Consolidated)-IBHFL (Rs. crore)	**FY19 (A)**	**FY20 (A)**
	Ind AS	**Ind AS**
Total income	17,027	13,223
PAT	4,091	2,200
Asset under management (AUM)	1,20,525	93,021
Total Assets [net of intangibles]	1,29,910	1,02,408
Net NPA (%) [on AUM basis]	0.69	1.24
ROTA (%)	3.12	1.89

A; Audited

About ICCL
Incorporated on July 7, 2006, as 'Indiabulls Infrastructure Credit Limited', Indiabulls Commercial Credit Ltd. (ICCL – NBFCND-SI) is a wholly-owned subsidiary of Indiabulls Housing Finance Ltd. (IBHFL; rated 'CARE AA; Negative'). The company was renamed to 'Indiabulls Commercial Credit Limited' in 2015. As on March 31, 2020, ICCL's AUM was Rs.13,562 crore.

Brief Financials (Standalone)-ICCL (Rs. crore)	**FY19 (A)**	**FY20 (A)**
	Ind AS	**Ind AS**
Total income	1,761	2,191
PAT	323	20
Asset under management (AUM)	17,598	13,562
Total Assets [net of intangibles]	17,102	16,358
Net NPA (%) [on AUM basis]	0.84	2.00
ROTA (%)	2.52	0.12

Status of non-cooperation with previous CRA: Not Applicable
Any other information: Not Applicable
Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	ISIN	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Rating assigned along with rating outlook
Debentures - Non-convertibles Debentures	08-Jul-16	INE244L07028	9.05%	07-Jul-23	40.00	CARE AA; Negative
Debentures - Non-convertibles Debentures	29-Jun-18	INE244L07044	IDFC Bank 3M MCLR + 160 bps (Floating)	29-Jun-21	200.00	CARE AA; Negative
Debentures - Non-convertibles Debentures (Proposed)	NA	-	NA	NA	760.00	CARE AA; Negative
Debt - Subordinate Debt	08-Nov-17	INE244L08018	8.45%	08-Nov-27	60.00	CARE AA; Negative
Debt - Subordinate Debt	05-Jan-18	INE244L08034	8.45%	05-Jan-23	50.00	CARE AA; Negative
Debt - Subordinate Debt	30-Nov-17	INE244L08026	8.45%	30-Nov-27	40.00	CARE AA; Negative
Debt - Subordinate Debt	02-May-18	INE244L08059	8.80%	02-May-28	100.00	CARE AA; Negative
Debt - Subordinate Debt	28-Mar-18	INE244L08042	8.85%	28-Mar-28	105.00	CARE AA; Negative
Debt - Subordinate Debt (Proposed)	NA	-	NA	NA	145.00	CARE AA; Negative
Public Issue of Non-convertibles Debentures (Secured)	25-Sep-18	INE244L07127	8.66%	25-Sep-23	20.73	CARE AA; Negative
Public Issue of Non-convertibles Debentures (Secured)	25-Sep-18	INE244L07150	8.75%	25-Sep-28	0.06	CARE AA; Negative
Public Issue of Non-convertibles Debentures (Secured)	25-Sep-18	INE244L07093	8.80%	25-Sep-21	901.09	CARE AA; Negative
Public Issue of Non-convertibles Debentures (Secured)	25-Sep-18	INE244L07168	8.84%	25-Sep-28	12.4	CARE AA; Negative
Public Issue of Non-convertibles Debentures (Secured)	25-Sep-18	INE244L07135	8.90%	25-Sep-23	0.91	CARE AA; Negative
Public Issue of Non-convertibles Debentures (Secured)	25-Sep-18	INE244L07101	8.90%	25-Sep-21	947.32	CARE AA; Negative
Public Issue of Non-convertibles Debentures (Secured)	25-Sep-18	INE244L07143	9%	25-Sep-23	75.22	CARE AA; Negative
Public Issue of Non-convertibles Debentures (Secured)	25-Sep-18	INE244L07176	9.10%	25-Sep-28	0.35	CARE AA; Negative
Public Issue of Non-convertibles Debentures (Secured)	25-Sep-18	INE244L07184	9.20%	25-Sep-28	13.96	CARE AA; Negative
Public Issue of Non-Convertibles Debentures (Secured) - ZCB	25-Sep-18	INE244L07077	0.00%	25-Sep-21	0.07	CARE AA; Negative
Public Issue of Non-Convertible Debentures (Secured) - ZCB	25-Sep-18	INE244L07085	0.00%	25-Sep-21	19.07	CARE AA; Negative
Proposed Public Issue of Secured Redeemable Non-Convertible Debentures	-	-	-	-	1,000	CARE AA; Negative
Proposed Public Issue of Unsecured Redeemable Non-Convertible Debentures	-	-	-	-	500	CARE AA; Negative
Bank Facilities-Fund Based - LT-Term loan	-	-	-	10-Jun-23	8,000	CARE AA; Negative
Commercial Paper	-	-	-	7 Days to 1 year	500	CARE A1+

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Rated Amount (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.	Debentures-Non Convertible Debentures	LT	1,000	CARE AA; Negative	1) CARE AA; Negative (08-May-20)	1) CARE AA; Stable (15-Feb-20) 2) CARE AA+; Negative (18-Oct-19) 3) CARE AA+ (Credit Watch with developing implications (24-Sep-19) 4) CARE AAA (Credit Watch with developing implications (12-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (15-Mar-18) 2)CARE AAA; Stable (02-Nov-17) 3)CARE AAA; Stable (17-Jul-17)
2.	Fund-based - LT-Term Loan	LT	8,000	CARE AA; Negative	1) CARE AA; Negative (08-May-20)	1) CARE AA; Stable (15-Feb-20) 2) CARE AA+; Negative (18-Oct-19) 3) CARE AA+ (Credit Watch with developing implications (24-Sep-19) 4) CARE AAA (Credit Watch with developing implications (12-Apr-19)	1)CARE AAA; Stable (06-Jul-18)	1) CARE AAA; Stable (27-Mar-18) 2) CARE AAA; Stable (17-Jul-17)
3.	Debt-Subordinate Debt	LT	500	CARE AA; Negative	1) CARE AA; Negative (08-May-20)	1) CARE AA; Stable (15-Feb-20) 2) CARE AA+; Negative (18-Oct-19) 3) CARE AA+ (Credit Watch with developing implications (24-Sep-19) 4) CARE AAA (Credit Watch with developing implications	1)CARE AAA; Stable (06-Jul-18)	1)CARE AAA; Stable (15-Mar-18) 2)CARE AAA; Stable (02-Nov-17)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Rated Amount (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
						(12-Apr-19)		
4.	Commercial Paper issue	ST	500	CARE A1+	1) CARE AA; Negative (08-May-20)	1) CARE A1+ (15-Feb-20) 2) CARE A1+ (18-Oct-19) 3) CARE A1+ (24-Sep-19) 4) CARE A1+ (12-Apr-19)	1)CARE A1+ (25-Jul-18) 2) CARE A1+ (12-Sep-18)	-
5.	Public issue of secured redeemable non-convertible debentures	LT	1,991.17 (reduced from 2,000)	CARE AA; Negative	1) CARE AA; Negative (08-May-20)	1)CARE AA; Stable (15-Feb-20) 2)CARE AA+; Negative (18-Oct-19) 3) CARE AA+ (Credit Watch with developing implications (24-Sep-19) 4) CARE AAA (Credit Watch with developing implications (12-Apr-19)	1) CARE AAA; Stable (14-Jan-19) 2)CARE AAA; Stable (17-Aug-18)	-
6.	Public issue of unsecured redeemable non-convertible debentures	LT	-	Withdrawn	1) CARE AA; Negative (08-May-20)	1)CARE AA; Stable (15-Feb-20) 2)CARE AA+; Negative (18-Oct-19) 3) CARE AA+ (Credit Watch with developing implications (24-Sep-19) 4) CARE AAA (Credit Watch with developing implications (12-Apr-19)	1) CARE AAA; Stable (14-Jan-19)	-
7.	Public issue of secured redeemable non-convertible debentures	LT	1,000	CARE AA; Negative	-	-	-	-
8.	Public issue of unsecured redeemable non-convertible debentures	LT	500	CARE AA; Negative	-	-	-	-

Annexure-3: Entities considered for consolidation

Company Name	Extant of consolidation	Rationale for consolidation
Indiabulls Commercial Credit Limited	Full	Subsidiary
Indiabulls Collection Agency Limited	Full	Subsidiary
Ibulls Sales Limited	Full	Subsidiary
Indiabulls Insurance Advisors Limited	Full	Subsidiary
Nilgiri Financial Consultants Limited	Full	Subsidiary
Indiabulls Capital Services Limited	Full	Subsidiary
Indiabulls Advisory Services Limited	Full	Subsidiary
Indiabulls Asset Holding Company Limited	Full	Subsidiary
Indiabulls Asset Management Company Limited	Full	Subsidiary
Indiabulls Trustee Company Limited	Full	Subsidiary
Indiabulls Holdings Limited	Full	Subsidiary
Indiabulls Venture Capital Management Company Limited	Full	Subsidiary
Indiabulls Venture Capital Trustee Company Limited	Full	Subsidiary
Indiabulls Asset Management Mauritius	Full	Subsidiary
IBHFL Lender Repayment Trust	Full	Subsidiary

Annexure-4: Complexity level of various instruments rated for this company

Sr No.	***Name of Instrument***	***Complexity Level***
1	Commercial Paper	Simple
2	Fund-based - LT/ ST-Term loan	Simple
3	Debentures-Non-Convertible Debentures	Simple
4	Debt-Subordinate Debt	Complex
5	Debt-Perpetual Debt	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 clarification*

Contact us

Media Contact
Name – Mr. Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Name - Mr. Himanshu Shethia
Contact no. – +91-22-6754 3468
Email ID – himanshu.shethia@careratings.com

Name – Mr. Sanjay Agarwal
Contact no. – +91-22-6754 3582
Email ID – sanjay.agarwal@careratings.com

Business Development Contact
Name – Mr. Ankur Sachdeva
Contact no. – +91-22-6754 3495
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.

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

ANNEXURE B

For the annexure, please see below.

Brickwork Ratings India Pvt. Ltd.
Ground floor, Building No - S 14, Solitaire
Corporate Park, Guru Hargovindji Marg,
Chakala, Andheri (East), Mumbai - 400 093
P: +91 22 2831 1426/39 | F: +91 22 2838 9144

BWR/NCD/MUM/CRC/ABP/0270/2020-21 **29 March 2021**

The Director
Indiabulls Commercial Credit Limited (ICCL)
Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Mills
Mumbai - 400 013

Dear Sir,

Sub: Rating of *Indiabulls Commercial Credit Ltd.'s Public issue of retail secured redeemable non-convertible debenture (NCD) issue* of ₹ 1000 Crs (₹ One Thousand Crores Only) with a tenor up to 10 years

Thank you for giving us an opportunity to undertake a rating of ***Public issue of retail secured redeemable non-convertible debenture (NCD) issue*** of Rs. 1000 Crores of Indiabulls Commercial Credit Ltd. Based on the term sheet of the NCD shared with us, information and clarifications provided by your company, as well as information available in public sources, Brickwork Ratings is pleased to inform you that **Indiabulls Commercial Credit Ltd.'s *Public issue of retail secured redeemable non-convertible debenture (NCD) issue* of ₹ 1000 Crs** has been assigned a rating of **BWR AA+/Negative.** Instruments with this rating are considered to have **high degree of safety** regarding timely servicing of financial obligations. Such instruments carry very **low credit risk.**

The Rating is valid for one year from the date of this letter and subject to the terms and conditions that were agreed in your mandate dated 05 Mar 2021 and other correspondence, if any and Brickwork Ratings standard disclaimer appended below. Brickwork Ratings would conduct surveillance every year till maturity/redemption of the instrument. Please note that Brickwork Ratings would need to be kept informed of any significant information/development that may affect your Company's finances/performance without any delay.

You are also requested to submit "No default statement" on a monthly basis.

Best Regards,

A Patwardhan

Anil Patwardhan
Senior Director – Ratings

Note: Rating Rationale of all accepted Ratings are published on Brickwork Ratings website. All non-accepted ratings are also published on Brickwork Ratings website . Interested persons are well advised to refer to our website www.brickworkratings.com, If they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com.

Brickwork Ratings India Pvt. Ltd.
Ground floor, Building No - S 14, Solitaire Corporate Park, Guru Hargovindji Marg, Chakala, Andheri (East), Mumbai - 400 093
P: +91 22 2831 1426/39 | F: +91 22 2838 9144

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RATING RATIONALE

29 March 2021

Indiabulls Commercial Credit Limited

Brickwork Ratings assigns ratings for the fresh Non Convertible debentures (NCDs) of Rs 1,500 Crs and reaffirms the outstanding various debt issues of Indiabulls Commercial Credit Limited.

Particulars:

<table>
<tr><th rowspan="2">Facility/Instrument**</th><th colspan="2">Amount (₹ Cr)</th><th rowspan="2">Tenure</th><th colspan="2">Rating*</th></tr>
<tr><th>Previous</th><th>Present</th><th>Previous (Sep,2020)</th><th>Present</th></tr>
<tr><td>Public issue of retail secured redeemable non-convertible debenture (NCDs)</td><td>-</td><td>1,000</td><td rowspan="5">Long Term</td><td>-</td><td>BWR AA+ Negative</td></tr>
<tr><td>Public issue of retail unsecured redeemable non-convertible debenture (NCDs)</td><td>-</td><td>500</td><td>-</td><td>BWR AA+ Negative</td></tr>
<tr><td>Subordinated Non convertible debenture (NCDs)</td><td>750</td><td>750</td><td rowspan="3">BWR AA+ Negative</td><td rowspan="3">BWR AA+ Negative</td></tr>
<tr><td>Non convertible debenture (NCDs)</td><td>1,500</td><td>1,500</td></tr>
<tr><td>Fund Based - Bank Loans</td><td>1,500</td><td>1,500</td></tr>
<tr><td>Commercial Paper Issue (CPs)</td><td>500</td><td>500</td><td>Short Term</td><td>BWR A1+</td><td>BWR A1+</td></tr>
<tr><td>Total</td><td>4,250</td><td>5,750</td><td colspan="3">INR Five Thousand and Seven Hundred Fifty Crores Only</td></tr>
</table>

*Please refer to BWR website www.brickworkratings.com/ for the definition of the ratings
** Details of Bank Facilities/NCD/Bonds/Commercial Paper are provided in Annexure-I&II

RATING ACTION / OUTLOOK

Brickwork Ratings (BWR) assigns **BWR AA+/Negative** for the NCDs of Rs 1,500 Crs while reaffirming **BWR AA+/Negative** on the various long term debt issuances of Rs 3,750 Crs and **BWR A1+** for commercial paper issue of Rs 500 Crs of Indiabulls Commercial Credit Limited (ICCL or the company), as tabulated above.

ICCL is a wholly owned subsidiary of Indiabulls Housing Finance Limited (IBHFL), which provides financial strength and flexibility to the company with a common management, business expertise and the brand name. At the operational level, IBHFL and ICCL operate as consolidated entities. ICCL's rating was assigned based on the letter of continuity provided by its parent IBHFL. Hence, the rating reaffirmation is on account of the rating action of its parent IBHFL.

The rating reaffirmation factors in the company's established market position in the housing finance sector, comfortable capitalisation with a moderate gearing level, strong liquidity and a diversified resource profile. However, the rating is constrained by the deterioration in asset quality and average profitability on account of the decreasing asset base and pressure on operating income.
The outlook continues to be Negative, given the continued stress on asset quality due to the impact of COVID-19 on the domestic economy, pressure on profitability due to expected slippages in the developer loan book and resultant provision requirements. The company's ability to revive growth, improve its asset quality and earnings profile through successfully building on the co-lending business model and avert any further deterioration in the portfolio performance over the near term will remain key rating monitorables.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA
For arriving at its ratings, BWR has considered the consolidated financial profile of IBHFL, alongwith its subsidiary Indiabulls Commercial Credit Ltd (ICCL), and has applied its rating methodology as detailed in the Rating Criteria below (hyperlinks provided at the end of this rationale).

KEY RATING DRIVERS

Credit Strengths:

- **Established market position:** IBHFL has an established position in retail mortgage finance as one of the largest HFCs in India with a consolidated AUM of Rs 86,566 Crs and an outstanding loan portfolio of Rs 70,782 Crs as on 31 December 2020. The AUM and loan portfolio have grown at a CAGR of 24% and 21%, respectively from March, 2014 to March 2019. However, in the last two years, the AUM and the loan book have shrunken, given the funding challenges faced by HFCs from the second half of FY 2019, high reliance on securitisation and the company's decision to reduce its exposure to developer loans, which is expected to result in a further moderation in its own book.

- **Comfortable capitalisation levels:** As on 31 December 2020, IBHFL's total capital to risk weighted assets ratio (CRAR) stood comfortably at 30.49%, with the Tier I CAR of 23.70%, which is well above NHB's stipulated minimum requirement of a total CAR of 14% by 31 Mar 2021 and 15% by 31 Mar 2022. As on 31 December 2020, IBHFL's net worth stood at Rs 16,302, against total debt of Rs 65,426, resulting in a gearing of 4.01x and net gearing of 3.3x. It also has a strong asset risk cover with net worth coverage for net non-performing assets (NPAs) at 24.36 times as on 31 December 2020.

- **Diversified resource profile**: IBHFL has a diversified resource profile with ongoing relations with 25 banks/mutual funds for a sell down. The borrowing profile is well diversified, with bank borrowings contributing to 32%, NCDs contributing to 41%, ECBs contributing 4%, and the remaining 23% contributed by the securitisation of loans. IBHFL has raised Rs 28,119 Crs of funding in 10MFY21 (i.e., from April 2020 to January 2021) including equity of Rs 2671 Crs. IBHFL has also raised quasi equity of Rs 1,091 Crs (USD 150 Mn) through secured foreign currency convertible bonds (FCCB) proving IBHFL's ability to raise long-term funds from the market.

- **Strong liquidity**: IBHFL has strong liquidity, with the ALM profile dated 31 December 2020 demonstrating cumulative positive mismatch across various buckets and with a positive mismatch of Rs 13,965Crs at the end of one year. The company also had cash & liquid investments and undrawn available sanctions of Rs.17,105 Crs as on 31 December 2020 against total debt repayment of Rs 16,955 Crs upto December 2021. Its reliance on commercial paper funding has reduced to nil and entirely depends on long-term funds.

Credit Risks:

- **Deterioration in asset quality:** Asset quality has witnessed some stress in the past few quarters, with gross non-performing asset (GNPA) and net non-performing asset (NNPA) ratios without the supreme court's dispensation increased to 2.44% (1.75% with the supreme Court dispensation) and 1.46% (0.77% with the supreme court dispensation) respectively , as on 31 December 2020, compared with 1.84% and 1.24%, respectively, as on 31 March 2020 and 0.88% and 0.69%, respectively, as on 31 March 2019, mainly due to high slippages in the non-housing loan book and shrinkage in the asset base.

  For the period ending 31 Dec 2020, the Company reported Gross NPAs of 1.75%. Without the Supreme Court directed standstill on asset classification, the proforma Gross NPAs would be 2.44% as at end of December 2020, compared with 2.21% at the end of Sep 2020. Had the Company not chosen to de-grow its book in the past 1 year, the proforma Gross NPAs of 2.44% would have been at 2.06%. On Stage 3 assets, the Company has a provision coverage ratio of 40%. IBHFL has total provisions of ₹ 2,418 Crs on balance sheet which is equivalent to 3.4% of its loan book. Including accelerated write-offs affected by the Company, total provisions to loan book would be 5.0% as on 31 Dec 2020.

  BWR expects that the asset quality will continue to be stressed, given the impact of COVID-19 on the domestic economy, especially on the real estate sector, and the resultant impact on the credit profile of the underlying borrowers of developer loan portfolios. To partially offset the increasing risk on the asset quality, the company is selling down the developer loan portfolio. However, BWR continues to derive comfort from the credit appraisal system, company's risk management policies, its focus on reducing exposure through refinance and prepayments, and demonstrated ability to recover dues from borrowers.

- **Decline in profitability:** IBHFL's profitability has declined in the last two years with the ROA and ROE decreasing to 1.26% and 7.55%, respectively, for 9MFY21 compared with an ROA and ROE of 2.40% and 16.36%, respectively, for 9MFY20. This was mainly due to falling revenues due to shrinking loan book and falling NIMs as the company is selling down the high yielding developer loan portfolio coupled with higher credit costs in the non-housing loan portfolio. IBHFL's ability to raise funds from diverse sources and reduce its cost of borrowing and timely refinance of developer loans to reduce the credit costs will be key rating monitorable.

- **Challenging operating environment for HFCs:** Currently, HFCs in India are facing liquidity and funding challenges, resulting in subdued growth/degrowth and potential ALM mismatches in the short term. This is also expected to adversely affect the borrowing profile and profitability of NBFCs. Furthermore, the company operates in a highly competitive space, and thereby its ability to demonstrate profitable growth while maintaining asset quality over the medium term will be critical. While the company has raised long-term funds in the recent past, its ability to raise adequate funding at competitive rates over the medium term will be a key monitorable.

RATING SENSITIVITIES

Positive: Upward revision in the rating of its parent company IBHFL
Negative: Downward revision in the rating of its parent company IBHFL

LIQUIDITY POSITION: Strong

IBHFL has strong liquidity, with the ALM profile dated 31 December 2020 demonstrating cumulative positive mismatch across various buckets and with a positive mismatch of Rs 13,965Crs at the end of one year. The company also had cash & liquid investments and undrawn available sanctions of Rs.17,105 Crs as on 31 December 2020 against total debt repayment of Rs 16,955 Crs upto December 2021. Its reliance on commercial paper funding has reduced to nil and entirely depends on long-term funds.

Coronavirus disease (COVID-19): Coronavirus disease (COVID-19), declared a pandemic by the World Health Organisation (WHO), has become a full-blown crisis globally, including in India. As a containment measure, the Indian Government had announced a 21-day nationwide lockdown on 24 March 2020, which was subsequently extended until 31 May 2020. As per BWR, financial institutions, mainly those lending to the retail low-income borrower segments could be the most impacted. The 6-month moratorium announced by the Reserve Bank of India on interest and principal on bank debt has provided some cushion to the lending community to realign its collection machinery and operations during this period. However, lenders' ability to ensure credit discipline among borrowers as the 6-month moratorium ends and to collect accumulated interest and principal dues on a timely basis after this period will be a key monitorable. BWR is actively engaging with its clients on a continuous basis and taking updates on the impact on its operations and liquidity situation. BWR will take appropriate rating actions as and when it deems necessary and will publish the same.

COMPANY PROFILE: ICCL

Indiabulls Commercial Credit Limited (ICCL), incorporated in 2006, is a wholly owned subsidiary of IBHFL. It is a non-deposit taking systemically important NBFC with a registered office in New Delhi. ICCL focuses on mortgaged backed lending, specifically loans against property, and to a lower extent on corporate mortgage loans. At the operational level, IBHFL and ICCL operate as consolidated entities. IBHFL is the flagship company of Indiabulls group, a leading business house with businesses spread across many sectors, including Housing finance, real estate and brokerage services.

COMPANY PROFILE: IBHFL

Indiabulls Housing Finance Ltd (IBHFL), incorporated in 2005, is registered with and regulated by National Housing Bank (NHB) and is engaged in the business of mortgage-backed finance - home loans and loan against property, and corporate mortgage loan - lease rental discounting and residential construction finance. The company is promoted by Mr. Sameer Gehlaut, who has a 21.7% shareholding as on 31 December 2020, directly or through other fully owned entities. The company is listed on the BSE/NSE. IBHFL is the flagship company of Indiabulls Group, a leading business house with businesses spread across many sectors, including housing finance, real estate and financial services.

Mr. Subhash Sheoratan Mundra is the non-executive chairman of the board of IBHFL. Mr. Sameer Gehlaut is the founder and non-executive director, Mr. Gagan Banga is the vice chairman, managing director and CEO, and Mr. Ashwini Kumar Hooda is the deputy managing director of IBHFL. Besides them, the board consists of two executive directors and six independent directors. The company also has well-qualified and experienced professionals looking after credit, risk, marketing, audit and other support functions.

KEY FINANCIAL INDICATORS - ICCL (Standalone)

Key Parameters	Units	FY18	FY19	FY20
Result Type		**Audited**	**Audited**	**Audited**
Loan Portfolio	₹ Cr	8,264	17,598	13,562
Revenue from Operations	₹ Cr	928	1760	2,190
PAT	₹ Cr	269	323	19.81
Tangible Net worth	₹ Cr	1,277	4,375	4,407
Total Debt	₹ Cr	6,938	10,807	8,726
GNPA	%	0.60	1.12	2.56
CRAR	%	19	28.96	32.69

KEY FINANCIAL INDICATORS - IBHFL (Consolidated)

Key Parameters	Units	2018	2019	2020	9MFY21
Result Type		**Audited**	**Audited**	**Audited**	**Unaud**
Consolidated AUM	Rs in Crs	1,22,578	1,20,525	93,021	86,566
Loan Portfolio	Rs in Crs	1,10,160	92,298	73,064	70,282
Net Interest Income	Rs in Crs	6,049	6,382	4,711	2,290
PAT	Rs in Crs	3,895	4,090	2,200	925
Tangible Net worth	Rs in Crs	14,289	16,403	15,462	16,205
Total CRAR	%	20.82	26.49	27.09	30.49
GNPA	%	0.77	0.88	1.84	1.75
NNPA	%	0.56	0.69	1.24	0.77

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED: Nil

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Nil

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

S. No	Name of Instrument (NCD/Bank Loan /Non-Fund Based facilitates/ Commercial Paper etc.)	Current Rating (2021)			Chronology of Rating History for the past 3 years (Rating Assigned and Press Release date) along with outlook/ Watch, if applicable		
		Type(Long Term/Short Term)	Amount Outstanding (Rs. Crores)	Rating	Date(s)& Rating(S) assigned in 2020	Date(s) & Rating(s) assigned in 2019	Date(s) & Rating(s) assigned in 2018
1					**14 Sep 2020**	**18 Oct 2019**	**5 Nov 2018**
	Fresh Non convertible Debentures (NCDs)	Long Term	1500	BWR AA+ Negative	-	-	-
	Non convertible Debentures (NCDs)	Long Term	2250	BWR AA+ Negative	BWR AA+ Negative	BWR AA+ Credit watch with developing implications	BWR AAA Stable
	Fund Based - Bank Loans	Long Term	1500	BWR AA+ Negative	BWR AA+ Negative	BWR AA+ Credit watch with developing implications	BWR AAA Stable
	Commercial Paper	Short Term	500	BWR A1+	BWR A1+	-	-
2					**23 Mar 2020**	**17 Apr 2019**	
	Non convertible Debentures (NCDs)	Long Term	2250		BWR AA+ Negative	BWR AAA Credit watch with developing implications	
	Fund Based - Bank Loans	Long Term	1500		BWR AA+ Negative	BWR AA+ Credit watch with developing implications	

COMPLEXITY LEVELS OF THE INSTRUMENTS: Simple
For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Financial Institutions**
- **Commercial Paper**

Analytical Contacts	
Sree Harsha Manager - Ratings B :+91 80 4040 9940 Ext :361 sreeharsha@brickworkratings.com	Anil Patwardhan Senior Director - Ratings B :+91 22 2831 1426, +91 22 2831 1439 anil.p@brickworkratings.com
1-860-425-2742 I media@brickworkratings.com	

Indiabulls Commercial Credit Ltd

ANNEXURE I

INSTRUMENT (NCD) DETAILS

INSTRUMENT	ISSUE DATE	AMOUNT (Rs in Crs.)	COUPON Rate	MATURITY DATE	ISIN
Subordinated NCD	8-Nov-2017	60	8.45%	8-Nov-2027	INE244L08018
Subordinated NCD	30-Nov-2017	40	8.45%	30-Nov-2027	INE244L08026

Total: INR One Hundred Crores

Indiabulls Commercial Credit Ltd

ANNEXURE II

Details of Bank Facilities rated by BWR

Sl.no	Name of the Bank	Type of Facility	Long Term (Rs in Crs)	Short Term (Rs in Crs)	Total (Rs in Crs)
1	Bank 1	Term Loan	200	-	200
Total (Existing Limits)			**200**	**-**	**200**
Total Proposed Limits			**1,300**	**-**	**1,300**
Total Amount rated			**1,500**	**-**	**1,500**

Total: INR One Thousand and Five Hundred Crores Only.

Indiabulls Commercial Credit Ltd

ANNEXURE III

List of Entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
Indiabulls Commercial Credit Limited	100	Full	Subsidiary
Indiabulls Collection Agency Limited	100	Full	Subsidiary
Ibulls Sales Limited	100	Full	Subsidiary
Indiabulls Insurance Advisors Limited	100	Full	Subsidiary
Nilgiri Financial Consultants Limited	100	Full	Subsidiary
Indiabulls Capital Services Limited	100	Full	Subsidiary
Indiabulls Advisory Services Limited	100	Full	Subsidiary
Indiabulls Asset Holding Company Limited	100	Full	Subsidiary
Indiabulls Asset Management Company Limited	100	Full	Subsidiary
Indiabulls Trustee Company Limited	100	Full	Subsidiary
Indiabulls Holdings Limited	100	Full	Subsidiary
Indiabulls Venture Capital Management Company Limited	100	Full	Subsidiary
Indiabulls Venture Capital Trustee Company Limited	100	Full	Subsidiary
Indiabulls Asset Management Mauritius	100	Full	Subsidiary
IBHFL Lender Repayment Trust	100	Full	Subsidiary
Indiabulls Housing Finance Ltd - Employees Welfare Trust	100	Full	Subsidiary
ICCL Lender Repayment Trust	100	Full	Subsidiary

For print and digital media
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ANNEXURE C

For the annexure, please see below.

BEACON
TRUSTEESHIP

Consent Letter of the Debenture Trustee

Ref. No: BTL/OPR/20-21/ 14535
Date: 29 March, 2021

The Board of Directors
Indiabulls Commercial Credit Limited
M-62 & 63, First Floor,
Connaught Place,
New Delhi – 110 001, India.

Dear Sirs,

Subject: Proposed public issue by Indiabulls Commercial Credit Limited ("Company" or the "Issuer") of secured redeemable non-convertible debentures of face value of Rs. 1,000 (Indian Rupees One Thousand) each ("NCDs") for an amount aggregating up to Rs. 1,000 Crores (Indian Rupees One Thousand Crore) ("Shelf Limit") ("Issue"). The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in separate Tranche Prospectus(es) for each Tranche Issue.

We, the undersigned, hereby consent to be named as the Debenture Trustee to the Issue and to our name being inserted as the Debenture Trustee to the Issue in the Draft Shelf Prospectus to be filed with the National Stock Exchange of India Limited and/or the BSE Limited ("**Stock Exchanges**") and to be forwarded to the Securities and Exchange Board of India ("**SEBI**") and the Shelf Prospectus and Tranche Prospectus(es) to be filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana ("**RoC**"), Stock Exchanges and to SEBI in respect of the Issue and also in all related advertisements, documents and subsequent periodical communications sent pursuant to the Issue. The following details with respect to us may be disclosed:

Name:	Beacon Trusteeship Limited
Address:	4C & D, Siddhivinayak Chambers, Opposite MIG Cricket Club, Gandhi Nagar, Bandra East, Mumbai 400 051
Telephone:	022-26558759
Fax:	022-26558759
Email:	contact@beacontrustee.co.in
Investor Grievance Email:	investorgrievances@beacontrustee.co.in
Website:	www.beacontrustee.co.in
Contact Person:	Mr. Vitthal Nawandhar
SEBI Registration No.:	IND000000569

We confirm that we are registered with SEBI and that such registration is valid as on the date of this letter. We enclose a copy of our registration certificate enclosed herein as **Annexure A** and declaration regarding our registration with SEBI as **Annexure B**. We also confirm that we have not been prohibited by SEBI to act as an intermediary in capital market issues.

We hereby authorize you to deliver this letter of consent to the RoC, pursuant to the provisions of Section 26 of the Companies Act, 2013 and other applicable laws or any other regulatory/statutory authorities as required by law.

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

We confirm that we will immediately inform the Company and the Lead Manager to the Issue of any change, additions or deletions in respect of the matters covered in this letter till the date when the NCDs commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be taken as updated information until commencement of trading of the NCDs on the Stock Exchanges.

This letter may be relied by you, the lead Manager and the legal advisor to the Issue in respect of the Issue.

Sincerely,

For Beacon Trusteeship Limited

Beacon Trusteeship Limited

Authorised Signatory

CC:

Edelweiss Financial Services Limited
Edelweiss House,
Off C.S.T. Road,
Kalina, Mumbai – 400 098,
Maharashtra, India

L&L Partners*
20th Floor, Tower 2
One International Centre
Elphinstone Road, Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Maharashtra, India
(**Formerly Luthra & Luthra Law Offices*)

डिबेंचर न्यासी

प्ररूप ख
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनिमय बोर्ड
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993
(DEBENTURE TRUSTEE) REGULATIONS, 1993

000270

(विनियम 8)
(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र
CERTIFICATE OF REGISTRATION

1) बोर्ड, भारतीय प्रतिभूति और विनिमय बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,

1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

BEACON TRUSTEESHIP LIMITED
4C & D, SIDDHIVINAYAK CHAMBERS,
GANDHI NAGAR, OPP. MIG CRICKET CLUB,
BANDRA EAST, MUMBAI - 400051
MAHARASHTRA, INDIA

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट है।

2) Registration Code for the debenture trustee is IND000000569

This Certificate of registration shall be valid for permanent, unless suspended or cancelled by the Board

3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र से तक विधिमान्य है।

3) Unless renewed, the certificate of registration is valid from to

आदेश से
भारतीय प्रतिभूति और विनिमय बोर्ड
के लिए और उसकी ओर से
By order
For and on behalf of
Securities and Exchange Board of India

स्थान Place : Mumbai

तारीख Date : February 12, 2021

ANUPMA CHADHA
प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory

jai kaushal

Annexure B

We hereby confirm that as on the date the following details in relation to our registration with the Securities and Exchange Board of India as a Debenture Trustee is true and correct:

1.	Registration Number	IND000000569
2.	Date of Registration/Renewal of Registration	12th Feb 2021
3.	Date of expiry of registration	Permanent Certificate
4.	If applied for renewal, date of application	NA
5.	Any communication from SEBI prohibiting the entity from acting as an intermediary	NA
6.	Any enquiry/investigation being conducted by SEBI	NA
7.	Details of any penalty imposed by SEBI	NA