

RELIANCE

Home Finance

RELIANCE HOME FINANCE LIMITED

Our Company was incorporated on June 5, 2008 at Mumbai, as 'Reliance Homes Finance Private Limited' as a private limited company under the provisions of the Companies Act, 1956. Our Company's name was subsequently changed to 'Reliance Home Finance Private Limited' pursuant to issuance of a fresh certificate of incorporation dated March 26, 2009. Subsequently, our Company's name was changed to 'Reliance Home Finance Limited' upon issuance of a fresh certificate of incorporation dated March 27, 2012, consequent upon the conversion of our Company from a private limited company to a public limited company. For further details regarding changes to the name and registered office of our Company, please see "History and other Corporate Matters" on page 84 of the Shelf Prospectus.

Registered Office and Corporate Office: Reliance Centre, 6th Floor, South Wing, Off Western Express Highway, Santacruz (East), Mumbai – 400 055, Maharashtra, India;

CIN: U67190MH2008PLC183216. Tel: +91 22 3303 6000; Fax: +91 22 2610 3299; Website: www.reliancehomefinance.com;

Company Secretary & Compliance Officer: Ms. Parul Jain; Tel: +91 22 3303 6000; Fax: +91 22 2610 3299; E-mail: rhfl.investor@relianceeda.com;

PUBLIC ISSUE BY RELIANCE HOME FINANCE LIMITED ("COMPANY" OR THE "ISSUER") OF SECURED REDEEMABLE NON CONVERTIBLE DEBENTURES ("SECURED NCDs") OF FACE VALUE OF ₹1,000 EACH AGGREGATING UP TO ₹3,00,000 LAKH AND UN-SECURED REDEEMABLE NON CONVERTIBLE SUBORDINATED (UPPER TIER II) DEBENTURES ("UN-SECURED NCDs") OF FACE VALUE OF ₹1,000 EACH AGGREGATING UP TO ₹50,000 LAKH, TOTALING UP TO ₹3,50,000 LAKH ("SHELF LIMIT") ("TRANCHE 1 ISSUE"). THE UN-SECURED NCDs WILL BE IN THE NATURE OF SUBORDINATED DEBT AND WILL BE ELIGIBLE FOR INCLUSION AS UPPER TIER II CAPITAL. THE BASE ISSUE SIZE OF THE PUBLIC ISSUE IS ₹1,00,000 LACS WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹2,50,000 LACS AGGREGATING TO SHELF LIMIT. THE SECURED NCDs AND UN-SECURED NCDs ARE TOGETHER REFERRED TO AS THE "NCDs". THE NCDs ARE BEING OFFERED BY WAY OF THIS TRANCHE 1 PROSPECTUS CONTAINING, INTER ALIA, THE TERMS AND CONDITIONS OF THIS TRANCHE 1 ISSUE ("TRANCHE 1 PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED DECEMBER 15, 2016 ("SHELF PROSPECTUS") FILED WITH THE REGISTRAR OF COMPANIES, MAHARASHTRA AT MUMBAI ("RoC"), THE STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"), THE SHELF PROSPECTUS AND THIS TRANCHE 1 PROSPECTUS CONSTITUTES THE PROSPECTUS ("PROSPECTUS"). THIS TRANCHE 1 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 TO THE EXTENT NOTIFIED.

OUR PROMOTER

Our promoter is Reliance Capital Limited. For further details, refer to the chapter "Our Promoter" on page 103 of the Shelf Prospectus

GENERAL RISKS

For taking an investment decision, investors must rely on their own examination of the Issuer, the Shelf Prospectus and the Tranche 1 Prospectus, including the risks involved. Specific attention of the Investors is invited to the chapter titled "Risk Factors" beginning on page 11 of the Shelf Prospectus and "Material Developments" beginning on page 109 of the Shelf Prospectus. This Tranche 1 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"), National Housing Bank ("NHB"), the Registrar of Companies, Maharashtra at Mumbai ("RoC") or any stock exchange in India.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Tranche 1 Prospectus read together with the Shelf Prospectus contains all information with regard to the Issuer, which is material in the context of the Tranche 1 Issue. The information contained in this Tranche 1 Prospectus together with the Shelf Prospectus is true and correct in all material respects, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Tranche 1 Prospectus as a whole or any 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 details relating to Coupon Rate, Coupon Payment Frequency, Redemption Date, Redemption Amount & Eligible Investors of the NCDs, refer to the chapter titled "Issue Structure" on page 28.

CREDIT RATING

The Secured NCDs proposed to be issued under this Tranche 1 Issue have been rated 'CARE AA+' Stable (Double A plus; Outlook: Stable) for an amount of ₹3,00,000 lakhs, by Credit Analysis and Research Limited ("CARE") vide their letter dated October 13, 2016 (validated as on December 7, 2016) and BWR AA+ (Pronounced as BWR Double A Plus) Outlook: Stable for an amount of ₹3,00,000 lakhs, by Brickwork Ratings India Private Limited ("Brickwork") vide their letter dated October 25, 2016 (validated as on December 6, 2016). The rating of CARE AA+; Stable by CARE and BWR AA+; Outlook: Stable by Brickwork indicate that 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 Un-Secured NCDs proposed to be issued under this Issue have been rated 'CARE AA; Stable (Double A; Outlook: Stable)' for an amount of ₹50,000 lakhs, by CARE vide their letter dated November 8, 2016 (validated as on December 7, 2016) and BWR AA (Pronounced as BWR Double A) Outlook: Stable for an amount of ₹50,000 lakhs, by Brickwork vide their letter dated October 4, 2016 (validated as on December 6, 2016). The rating of CARE AA; Stable by CARE and BWR AA; Outlook: Stable by Brickwork indicate that 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. For the rationale for these ratings, see Annexure A and B to the Shelf Prospectus. This rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. This rating is subject to 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 Tranche 1 Prospectus are proposed to be listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). Our Company has received an 'in-principle' approval from BSE vide their letter no. DCS/BM/PI-BOND/4/16-17 dated November 22, 2016 and NSE vide their letter no. NSE/LIST/94728 dated November 23, 2016. For the purposes of the Issue BSE is the Designated Stock Exchange.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated November 15, 2016 was filed with the Stock Exchanges, pursuant to the provisions of the SEBI Debt Regulations and was open for public comments for a period of seven Working Days (i.e., until 5 p.m. on November 22, 2016) from the date of filing of the Draft Shelf Prospectus with the Stock Exchanges.

LEAD MANAGERS TO THE ISSUE

| | | |
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|  <p>Edelweiss Ideas create, values protect</p> <p>EDELWEISS FINANCIAL SERVICES LIMITED Edelweiss House, Off CST Road, Kalina, Mumbai – 400 098, Maharashtra, India Tel: +91 22 4086 3535 Fax: +91 22 4086 3610 Email: rhfl.ncd@edelweissfin.com Investor Grievance Email: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Mr. Mandeep Singh/ Mr. Lokesh Singhi SEBI Regn. No.: INM0000010650</p> |  <p>A. K. CAPITAL SERVICES LTD. BUILDING BONDS</p> <p>A. K. CAPITAL SERVICES LIMITED 30-39 Free Press House, 3rd Floor, Free Press Journal Marg, Nariman Point, Mumbai – 400 021, Maharashtra, India Tel: +91 22 6754 6500 Fax: +91 22 6610 0594 Email: rhflncd2016@akgroup.co.in Investor Grievance Email: investor.grievance@akgroup.co.in Website: www.akcapindia.com Contact Person: Mr. Girish Sharma/ Mr. Malay Shah SEBI Regn. No.: INM000010411</p> |  <p>AXIS BANK LIMITED Axis House, 8th Floor, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai – 400 025, Maharashtra, India Tel: +91 22 6604 3293 Fax: +91 22 2425 3800 Email: rhmenov2016@axisbank.com Investor Grievance Email: sharad.savant@axisbank.com Website: www.axisbank.com Contact Person: Mr. Vikas Shinde SEBI Regn. No.: INM000006104</p> |
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LEAD MANAGERS TO THE ISSUE

DEBENTURE TRUSTEE

REGISTRAR TO THE ISSUE

| | | | |
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|  <p>TRUST INVESTMENT ADVISORS PRIVATE LIMITED 1101, Naman Centre, G Block, C-31, BKC, Bandra (E), Mumbai – 400 051, Maharashtra, India Tel: +91 22 4084 5000 Fax: +91 22 4084 5007 Email: mbd.trust@trustgroup.in Investor Grievance Email: customercare@trustgroup.in Website: www.trustgroup.in Contact Person: Mr. Anindya Sen SEBI Regn. No.: INM000011120</p> |  <p>YES SECURITIES (INDIA) LIMITED IFC, Tower 1 & 2, Unit no. 602A, 6th Floor, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013, Maharashtra, India Tel: +91 22 3347 9606 Fax: +91 22 2421 4508 Email: rhflncd2016@yesscuritiesindia.in Investor Grievance Email: igc@yesscuritiesindia.in Website: www.yesinvest.in Contact Person: Mr. Devendra Maydeo SEBI Regn. No.: INM000012227</p> |  <p>IDBI TRUSTEESHIP SERVICES LIMITED* Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400 001, Maharashtra, India Tel: +91 22 4080 7000; Fax: +91 22 6631 1776 Email: its@idbitrustee.com Investor Grievance email: subrat@idbitrustee.com/ response@idbitrustee.com Website: www.idbitrustee.com Contact Person: Mr. Subrat Udgata SEBI Regn. Number: IND000000460</p> |  <p>KARVY COMPUTERSHARE PRIVATE LIMITED Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032; Telangana, India Tel: +91 40 6716 1500 Fax: +91 40 6716 1791 Email: mis.radag@karvy.com Investor Grievance Email: rhfl.ncd@karvy.com Website: http://karisma.karvy.com Contact Person: Mr. M. Murali Krishna SEBI Regn. No.: INR000000021</p> |
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ISSUE PROGRAMME**

TRANCHE 1 ISSUE OPENS ON: THURSDAY, DECEMBER 22, 2016

TRANCHE 1 ISSUE CLOSES ON: FRIDAY, JANUARY 6, 2017

* IDBI Trusteeship Services Limited under regulation 4(4) of SEBI Debt Regulations has by its letter dated November 10, 2016 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 NCDs issued pursuant to this Issue.

** The Tranche 1 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 Tranche 1 Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company ("Board") or the NCD Committee. In the event of an early closure or extension of the Tranche 1 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 initial date of Tranche 1 Issue closure. On the Tranche 1 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.

A copy of the Shelf Prospectus and this Tranche 1 Prospectus shall be filed with the RoC in terms of section 26 and 31 of Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details, please refer to the chapter titled "Material Contracts and Documents for Inspection" on page 83.

TABLE OF CONTENTS

| | |
|--|-----------|
| SECTION I-GENERAL | 2 |
| DEFINITIONS AND ABBREVIATIONS | 2 |
| CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION..... | 9 |
| FORWARD-LOOKING STATEMENTS | 10 |
| SECTION II-ABOUT OUR COMPANY | 11 |
| GENERAL INFORMATION | 11 |
| OBJECTS OF THE TRANCHE 1 ISSUE | 19 |
| MATERIAL DEVELOPMENTS | 21 |
| OTHER REGULATORY AND STATUTORY DISCLOSURES..... | 22 |
| SECTION III- ISSUE RELATED INFORMATION | 28 |
| ISSUE STRUCTURE | 28 |
| TERMS OF THE ISSUE | 33 |
| ISSUE PROCEDURE..... | 51 |
| SECTION IV- MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION..... | 83 |
| DECLARATION | 85 |
| ANNEXURE A – ILLUSTRATION DAY COUNT CONVENTION | 86 |
| ANNEXURE B – SHELF PROSPECTUS DATED DECEMBER 15, 2016 | |

SECTION I-GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates, all references in this Tranche 1 Prospectus to “the Issuer”, “our Company”, “the Company” or “RHFL” or “we” or “us” or “our” are to Reliance Home Finance Limited, a public limited company incorporated under the Companies Act, 1956, having its registered office at Reliance Centre, 6th Floor, South Wing, Off Western Express Highway, Santacruz (East), Mumbai – 400 055, Maharashtra, India.

Unless the context otherwise indicates or implies, the following terms have the following meanings in this Tranche 1 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 |
|---|---|
| Articles/ Articles of Association/AoA | Articles of Association of our Company |
| Board/ Board of Directors | Board of Directors of our Company |
| Consortium/ Members of the Consortium (each individually, a Member of the Consortium) | The Lead Managers and Consortium Members |
| Consortium Agreement | Consortium Agreement dated December 15, 2016 among our Company and the Members of the Consortium |
| Consortium Members | Edelweiss Securities Limited, A. K. Stockmart Private Limited, Axis Capital Limited and Trust Financial Consultancy Services Private Limited |
| Corporate Office | Reliance Centre, 6 th Floor, South Wing, Off Western Express Highway, Santacruz (East), Mumbai – 400 055, Maharashtra, India |
| Director | Director of our Company, unless otherwise specified |
| Equity Shares | Equity shares of our Company of face value of ₹ 10 each |
| Memorandum/ Memorandum of Association/ MoA | Memorandum of Association of our Company |
| NCD Committee | The Non Convertible Debentures Committee authorised by our Board of Directors to take necessary decisions with respect to the Issue by way of board resolution dated November 10, 2016 |
| Preference Shares | 8% Compulsory Convertible Preference Shares of face value of ₹ 10 each |
| Promoter/ RCL | Our Promoter, Reliance Capital Limited |
| Reformatted Financial Statements | The statement of reformatted standalone assets and liabilities as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 and the statement of reformatted standalone statement of profit and loss for the Fiscals 2016, 2015, 2014, 2013 and 2012 and the statement of reformatted standalone cash flow for the Fiscals 2016, 2015, 2014, 2013 and 2012 as examined by the Statutory Auditors Our audited standalone financial statements as at and for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 form the basis for such Reformatted Financial Statements |
| Registered Office | Reliance Centre, 6 th Floor, South Wing, Off Western Express Highway, Santacruz (East), Mumbai – 400 055, Maharashtra, India |
| Reliance Group | Refers to the Reliance group led by Mr. Anil Dhirubhai Ambani |
| RoC | Registrar of Companies, Maharashtra at Mumbai |
| Statutory Auditors/Auditors | The statutory auditors of our Company, namely M/s Chaturvedi & Shah, <i>Chartered Accountants</i> |
| Unaudited Financial Results | Limited reviewed financial results on standalone basis for the half year ended September 30, 2016 reviewed by the Statutory Auditors and submitted to BSE as per requirements of SEBI LODR Regulations |

Issue related terms

| Term | Description |
|---|---|
| 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 this Tranche 1 Issue |
| Applicant/ Investor | A person who applies for the issuance and Allotment of NCDs pursuant to the terms of the Shelf Prospectus, this Tranche 1 Prospectus and Abridged Prospectus and the Application Form for the Tranche 1 Issue |
| Application | An application to subscribe to the NCDs offered pursuant to the Tranche 1 Issue by submission of a valid Application Form and payment of the Application Amount by any of the modes as prescribed in the chapter “ <i>Issue Procedure</i> ” on page 51 |
| Application Amount | The aggregate value of the NCDs applied for, as indicated in the Application Form for the Tranche 1 Issue |
| Application Form | The form in terms of which the Applicant shall make an offer to subscribe to the NCDs through the ASBA or non-ASBA process, in terms of the Shelf Prospectus and this Tranche 1 Prospectus |
| “ASBA” or “Application Supported by Blocked Amount” or “ASBA Application” | The application (whether physical or electronic) used by an ASBA Applicant to make an Application by authorizing the SCSB to block the bid amount in the specified bank account maintained with such SCSB |
| ASBA Account | An account maintained with an SCSB which will be blocked by such SCSB to the extent of the appropriate Application Amount of an ASBA Applicant |
| ASBA Applicant | Any Applicant who applies for NCDs through the ASBA process |
| Bankers to the Issue/ Escrow Collection Banks | HDFC Bank Limited, ICICI Bank Limited and IndusInd Bank Limited |
| Base Issue Size | ₹ 1,00,000 lakhs |
| Basis of Allotment | Please refer to the chapter titled “ <i>Issue Procedure</i> ” on page 51 |
| BSE | BSE Limited |
| Brickwork | Brickwork Ratings India Private Limited |
| Category I Investor | <ul style="list-style-type: none"> • Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institution which are authorised to invest in the NCDs; • Provident funds & pension funds with minimum corpus of ₹ 2,500.00 lakhs, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Venture Capital Funds/ Alternative Investment Fund registered with SEBI; • Insurance Companies registered with IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; • Mutual Funds. |
| Category II Investor | <ul style="list-style-type: none"> • Companies within the meaning of section 2(20) of the Companies Act, 2013; co-operative banks and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Statutory Bodies/Corporations • 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 |
| Category III Investor | Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10.00 lakhs across all series of NCDs in Issue |

| Term | Description |
|--------------------------------|---|
| Category IV Investor | Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 10.00 lakhs across all series of NCDs in Issue |
| Credit Rating Agencies | For the present Issue, the credit rating agencies, being CARE and Brickwork |
| CARE | Credit Analysis & Research Limited |
| CRISIL | CRISIL Limited |
| Debenture Trustee Agreement | The agreement dated November 10, 2016 entered into between the Debenture Trustee and our Company |
| Debenture Trust Deeds | The Secured Debenture Trust Deed and the Un-Secured Debenture Trust Deed |
| Debenture Trustee/ Trustee | Debenture Trustee for the Debenture Holders, in this Issue being IDBI Trusteeship Services Limited |
| Debt Application Circular | Circular no. CIR/IMD/DF – 1/20/ 2012 issued by SEBI on July 27, 2012 |
| Deemed Date of Allotment | The date on which the Board of Directors or the NCD Committee approves the Allotment of the NCDs for this Tranche 1 Issue or such date as may be determined by the Board of Directors or the NCD Committee and notified to the Stock Exchanges. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture holders from the Deemed Date of Allotment |
| Demographic Details | The demographic details of an Applicant, such as his address, occupation, bank account details, Category, PAN for printing on refund orders which are based on the details provided by the Applicant in the Application Form |
| 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, 1996 |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Applications and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time |
| Designated Date | The date on which Application Amounts are transferred from the Escrow Accounts to the Public Issue Accounts or the Refund Account, as appropriate and the Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Accounts to the Public Issue Account(s) following which the Board or the NCD Committee, shall Allot the NCDs to the successful Applicants, provided that the sums received in respect of the Tranche 1 Issue will be kept in the Escrow Accounts up to this date |
| Designated Stock Exchange/ DSE | BSE i.e. BSE Limited |
| Direct Online Application | The application made using an online interface enabling direct application by investors to a public issue of their debt securities with an online payment facility through a recognized stock exchange. This facility is available only for demat account holders who wish to hold the NCDs pursuant to the Tranche 1 Issue in dematerialized form. Please note that the Applicants will not have the option to apply for NCDs under the Tranche 1 Issue, through the direct online applications mechanism of the Stock Exchanges |
| Draft Shelf Prospectus | The Draft Shelf Prospectus dated November 15, 2016 filed by our Company with the Stock Exchanges for receiving public comments, in accordance with the provisions of the SEBI Debt Regulations |
| Escrow Accounts | Accounts opened with the Escrow Collection Bank(s) into which the Members of the Consortium and the Trading Members, as the case may be, will deposit Application Amounts from resident non-ASBA Applicants, in terms of the Shelf Prospectus, this Tranche 1 Prospectus and the Escrow Agreement |
| Escrow Agreement | Agreement dated December 7, 2016 entered into amongst our Company, the Registrar to the Issue, the Lead Managers, the Refund Bank and the Escrow Collection Banks for collection of the Application Amounts from non-ASBA Applicants and where applicable, refunds of the amounts collected from the Applicants on the terms and conditions thereof |

| Term | Description |
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| Interest Payment Date | The dates on which interest/coupon on the NCDs shall fall due for payment as specified in this Tranche 1 Prospectus. Please refer to the chapter “ <i>Terms of the Issue – Interest and Payment of Interest</i> ” on page 40. |
| Issue | Public issue by our Company of Secured NCDs and Un-Secured NCDs of face value of ₹ 1,000 each pursuant to the Shelf Prospectus and relevant Tranche Prospectus for an amount upto an aggregate amount of the Shelf Limit. The NCDs will be issued in one or more tranches subject to the Shelf Limit |
| Issue Agreement | Agreement dated November 10, 2016 between our Company and the Lead Managers |
| Tranche 1 Issue Closing Date | Friday, January 6, 2017 |
| Tranche 1 Issue Opening Date | Thursday, December 22, 2016 |
| Tranche 1 Issue Period | The period between the Tranche 1 Issue Opening Date and the Tranche 1 Issue Closing Date, inclusive of both days, during which prospective Applicants may submit their Application Forms |
| Lead Managers/ LMs | Edelweiss Financial Services Limited, A. K. Capital Services Limited, Axis Bank Limited, Trust Investment Advisors Private Limited, and Yes Securities (India) Limited |
| Market Lot | 1 NCDs |
| NCDs | Secured NCDs and Un-Secured NCDs |
| Offer Document | The Draft Shelf Prospectus, Shelf Prospectus, Tranche 1 Prospectus, abridged prospectus and Application Form and any addendum/ amendments thereto. |
| Public Issue Account | An account opened with the Banker(s) to the Tranche 1 Issue to receive monies for allotment of NCDs from the Escrow Accounts for the Tranche 1 Issue and/or the SCSBs on the Designated Date |
| Record Date | 15 (fifteen) days prior to the relevant interest payment date, relevant Redemption Date for NCDs issued under this Tranche 1 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. However, record date for the purpose of exercise of call option, if any, shall be as referred to in the “ <i>Terms of the Issue - Put/ Call Option in relation to Un-Secured NCD Holders</i> ” on page 43 |
| Redemption Amount | The Amount repayable on the NCDs, as specified in the chapter “ <i>Issue Structure - Terms and Conditions in connection with the NCDs</i> ” on page 32 |
| Redemption Date | The date on which the NCDs will be redeemed, as specified in the section titled “ <i>Issue Structure - Terms and Conditions in connection with the NCDs</i> ” on page 32 |
| Refund Account | The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Application Amount shall be made (excluding all Application Amounts received from ASBA Applicants) |
| Refund Bank | HDFC Bank Limited |
| Register of Debenture holders | The Register of Debenture holders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013 and as more particularly detailed in the chapter “ <i>Terms of the Issue - Rights of NCD Holders</i> ” on page 34 |
| Registrar to the Issue/ Registrar | Karvy Computershare Private Limited |
| Registrar Agreement | Agreement dated November 10, 2016 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue and Issuer pertaining to the Issue |
| Security | As disclosed in the chapter “ <i>Issue Structure</i> ” on page 28 and Secured Debenture Trust Deed in relation to the issue of Secured NCDs |
| Secured Debenture Trust Deed | The trust deed to be entered into between the Debenture Trustee and our Company in relation to the Secured NCD Holders |
| Secured NCDs | Secured Redeemable Non Convertible Debentures of face value of ₹ 1,000 each |
| 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 and offer services in relation to |

| Term | Description |
|---------------------------------------|--|
| | ASBA, including blocking of an ASBA Account, a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time |
| Shelf Limit | The aggregate limit of the Issue, being ₹ 3,50,000 lakhs to be issued under the Shelf Prospectus through one or more Tranche Issues |
| Shelf Prospectus | The Shelf Prospectus dated December 15, 2016 filed by our Company with the SEBI, BSE, NSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations The Shelf Prospectus is valid for a period as prescribed under Section 31 of the Companies Act, 2013 |
| Stock Exchange(s) | BSE and NSE |
| Syndicate or Members of the Syndicate | Members of the Consortium appointed in relation to the Issue |
| Syndicate ASBA Application Locations | Locations for acceptance/ submission of ASBA Applications through the Lead Managers, Consortium Members or the Trading Members of the Stock Exchanges only in the Specified Cities |
| 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/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries 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 HFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, ten percent of the owned fund |
| Tier II capital | Tier-II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions (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 |
| Tenor | Please refer to the “ <i>Issue Structure - Terms and Conditions in connection with the NCDs</i> ” on page 32 |
| Transaction Registration Slip or TRS | The acknowledgement slip or document issued by any of the Members of the Consortium, the SCSBs, or the Trading Members as the case may be, to an Applicant upon demand as proof of registration of his application for the NCDs |
| Trading Members | Intermediaries registered as a Broker or a Sub-Broker under the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by the Stock Exchanges |
| Tranche 1 Issue | Issue of the NCDs pursuant to this Tranche 1 Prospectus |
| Tranche 1 Prospectus | This Tranche 1 Prospectus containing the details of NCDs including interest, other terms and conditions, general information, objects, procedure for application, regulatory and statutory disclosures and material contracts and documents for inspection, in respect of the Tranche 1 Issue |
| Tripartite Agreements | Tripartite agreement dated July 29, 2015 among our Company, the Registrar and CDSL and tripartite agreement dated March 25, 2009 among our Company, the Registrar and NSDL |
| Un-Secured Debenture | The trust deed to be entered into between the Debenture Trustee and our Company |

| Term | Description |
|-----------------------|---|
| Trust Deed | in relation to the Un-secured NCD Holders |
| Un-secured NCDs | Un-secured Redeemable Non Convertible Debentures in the nature of Subordinated Debt and will be eligible for inclusion as Upper Tier II capital, of face value of ₹ 1,000 each |
| Upper Tier II Capital | Upper Tier II instruments are fully paid up instruments, which are unsecured and free of any restrictive clauses. The claims of the investors/ holders of the Un-Secured Redeemable Non-Convertible NCDs in the nature of Subordinated Debt and eligible for inclusion as Upper Tier II capital, which shall be superior to the claims of investors in instruments eligible for inclusion in Tier 1 capital and subordinate to the claims of all other creditors. For further details, refer to the chapter “ <i>Issue Structure</i> ” on page 28 |
| Working Day(s) | Working Day shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Tranche 1 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 Tranche 1 Issue Closure to listing of the securities, Working Days shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai or a public holiday in India |

Conventional and general terms or abbreviation

| Term/Abbreviation | Description/ Full Form |
|--|---|
| ₹ or Rupees or Rs. or Indian Rupees or INR | The lawful currency of India |
| AGM | Annual General Meeting |
| AS | Accounting Standards issued by Institute of Chartered Accountants of India |
| ASBA | Application Supported by Blocked Amount |
| BPS/ bps/ basis points | 100 th part of 1% |
| CAGR | Compounded Annual Growth Rate |
| CDSL | Central Depository Services (India) Limited |
| Companies Act/ Act | The Companies Act, 2013 (18 of 2013), to the extent notified by the MCA and in force as on the date of this Tranche 1 Prospectus read with rules thereunder |
| Companies Act, 1956 | The erstwhile Companies Act, 1956 replaced by Companies Act, 2013 to the extent notified |
| CRAR | Capital to Risk-Weighted Assets Ratio |
| CrPC | Code of Criminal Procedure, 1973, as amended from time to time |
| CSR | Corporate Social Responsibility |
| Depositories Act | Depositories Act, 1996 |
| Depository(ies) | CDSL and NSDL |
| DIN | Director Identification Number |
| DP/ Depository Participant | Depository Participant as defined under the Depositories Act, 1996 |
| DRR | Debenture Redemption Reserve |
| ECS | Electronic Clearing Service |
| EGM | Extraordinary General Meeting |
| FDI | Foreign Direct Investment |
| FDI Policy | The Government policy and the regulations (including the applicable provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000) issued by the Government of India prevailing on that date in relation to foreign investments in our Company’s sector of business as amended from time to time |
| FEMA | Foreign Exchange Management Act, 1999 |
| 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 |
| HFC | Housing Finance Company |
| HNI | High Networth Individual |
| HUF | Hindu Undivided Family |

| Term/Abbreviation | Description/ Full Form |
|--|--|
| ICAI | Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards |
| IPC | Indian Penal Code, 1860, as amended from time to time |
| Income Tax Act | Income Tax Act, 1961 |
| India | Republic of India |
| Indian GAAP | Generally Accepted Accounting Principles followed in India |
| IRDAI | Insurance Regulatory and Development Authority of India |
| IT | Information Technology |
| MCA | Ministry of Corporate Affairs, GoI |
| MoF | Ministry of Finance, GoI |
| NA/ N.A. | Not Applicable |
| NBFC | Non Banking Financial Company, as defined under applicable RBI guidelines |
| NECS | National Electronic Clearing Service |
| NEFT | National Electronic Fund Transfer |
| NHB | National Housing Bank |
| NHB Act | National Housing Bank Act, 1987 or as amended from time to time |
| National Housing Bank Directions/ NHB Directions/ Directions | Housing Finance Companies (NHB) Directions, 2010 as amended from time to time |
| NPA | Non-Performing Assets |
| NRI/ 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 |
| RBI | Reserve Bank of India |
| RBI Act | Reserve Bank of India Act, 1934 |
| RTGS | Real Time Gross Settlement |
| SARFAESI Act | Securitisation & Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 |
| SEBI | Securities and Exchange Board of India |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI Debt Regulations | Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 |
| SEBI LODR Regulations | Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 |

Business/ Industry related terms

| Term/Abbreviation | Description/ Full Form |
|--------------------------|---|
| ALCO | Asset Liability Management Committee |
| AUM | Assets Under Management |
| BOM | Branch Operations Manager |
| DSA | Direct Selling Agents |
| EMI | Equated monthly instalment |
| Fair Practices Code | The guidelines on fair practices code for HFCs issued by the NHB on September 9, 2015 |
| LMI | Low and Middle income |
| LTV | Loan-to-value ratio |
| SLR | Statutory Liquidity Ratio |
| WPI | Wholesale Price Index |

Notwithstanding anything contained herein, capitalised terms that have been defined in the chapter “**Issue Procedure**” on page 51 will have the meanings ascribed to them in said chapter.

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

Certain Conventions

All references in this Tranche 1 Prospectus to “*India*” are to the Republic of India and its territories and possessions.

Unless stated otherwise, all references to page numbers in this Tranche 1 Prospectus are to the page numbers of this Tranche 1 Prospectus.

Presentation of Financial Information

Our Company publishes its financial statements in Rupees. Our Company’s financial statements for the half year ended September 30, 2016 and the year ended March 31, 2016, March 31, 2015 and March 31, 2014 have been prepared in accordance with Indian GAAP including the Accounting Standards notified under the Companies Act read with General Circular 8/2014 dated April 4, 2014 and for the years ended March 31, 2013 and 2012 are prepared in accordance with Indian GAAP including the Accounting Standards referred in section 133 of the Companies Act, 1956.

The Reformatted Financial Statements and the financial results for the half year ended September 30, 2016 together with the annexure and notes thereto (the “**Unaudited Financial Statements**”), as issued by the Statutory Auditors of our Company, are included in this Tranche 1 Prospectus. The examination reports on the Reformatted Financial Statements and the Unaudited Financial Statements as issued by the Statutory Auditors of our Company are also included in the Shelf Prospectus in the chapter titled “*Financial Statements*” beginning at page 108 of the Shelf Prospectus.

Currency and Unit of Presentation

In this Tranche 1 Prospectus, references to “₹”, “Indian Rupees”, “INR”, “Rs.” and “Rupees” are to the legal currency of India, references to “US\$”, “USD”, and “U.S. dollars” are to the legal currency of the United States of America, as amended from time to time. Except as stated expressly, for the purposes of this Tranche 1 Prospectus, data will be given in Rupees in lakhs.

Industry and Market Data

Any industry and market data used in this Tranche 1 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 Tranche 1 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 Tranche 1 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.

In this Tranche 1 Prospectus, any discrepancy in any table between total and the sum of the amounts listed are due to rounding off.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Tranche 1 Prospectus that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in this Tranche 1 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:

- 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;
- 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 the Shelf Prospectus, including under the chapter titled “*Risk Factors*” on page 11 of the Shelf Prospectus.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed in the chapters titled “*Our Business*” and “*Outstanding Litigations and Defaults*” on pages 68 and 127, respectively of the Shelf Prospectus. The forward-looking statements contained in this Tranche 1 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 Tranche 1 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 Managers, 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 and the Lead Managers will ensure that investors in India are informed of material developments between the date of filing the Shelf Prospectus and this Tranche 1 Prospectus with the RoC and the date of the Allotment.

SECTION II-ABOUT OUR COMPANY

GENERAL INFORMATION

Our Company was incorporated on June 5, 2008, as ‘Reliance Homes Finance Private Limited’ as a private limited company under the provisions of the Companies Act, 1956 and was granted a certificate of registration on January 6, 2009 to carry on the business of a housing finance institution without accepting public deposits by the National Housing Bank. Our Company’s name was subsequently changed to ‘Reliance Home Finance Private Limited’ pursuant to issuance of a fresh certificate of incorporation dated March 26, 2009. Subsequently, our Company’s name was changed to ‘Reliance Home Finance Limited’ upon issuance of a fresh certificate of incorporation dated March 27, 2012, consequent upon the conversion of our Company from a private limited company to a public limited company.

Registered Office and Corporate Office

Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway,
Santacruz (East), Mumbai – 400 055,
Maharashtra, India.
Tel: +91 22 3303 6000
Fax: +91 22 2610 3299
Email: rhfl.investor@relianceada.com
Website: www.reliancehomefinance.com

Registration no.: 183216

Corporate Identity Number: U67190MH2008PLC183216

We received a certificate of registration (with Registration No. 02.0069.09) from the National Housing Bank to carry on the business of a housing finance institution without accepting public deposits on January 06, 2009. Our registration certificate was subsequently renewed on April 27, 2009 (with Registration No. 04.0074.09) due to the change in the name of the Company to “Reliance Home Finance Private Limited”. Subsequently, upon the conversion of the Company from a private limited company to a public limited company registration certificate was renewed on July 16, 2012 (with Registration No. 07.0101.12).

Chief Executive Officer:

Mr. Ravindra Sudhalkar

Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway,
Santacruz (East), Mumbai – 400 055,
Maharashtra, India.
Tel: + 91 22 3303 6000
Fax: + 91 22 2610 3299
Email: rhfl.investor@relianceada.com

Chief Financial Officer:

Mr. Sandip Parikh

Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway,
Santacruz (East), Mumbai – 400 055,
Maharashtra, India.
Tel: + 91 22 3303 6000
Fax: + 91 22 2610 3299
Email: rhfl.cfo@relianceada.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:

Ms. Parul Jain

Company Secretary & Compliance Officer

Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway,
Santacruz (East), Mumbai – 400 055,
Maharashtra, India.

Tel: +91 22 3303 6000

Fax: + 91 22 2610 3299

Email: rhfl.investor@relianceada.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 money etc.

All grievances relating to the Tranche 1 Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of NCDs applied for, amount paid on application, Depository Participant and the collection centres of the Members of the Consortium where the Application was submitted.

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

All grievances 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 Managers

Edelweiss Financial Services Limited

Edelweiss House,
Off CST Road,
Kalina, Mumbai – 400 098,
Maharashtra, India

Tel: +91 22 4086 3535

Fax: +91 22 4086 3610

Email: rhfl.ncd@edelweissfin.com

Investor Grievance Email:
customerservice.mb@edelweissfin.com

Website: www.edelweissfin.com

Contact Person: Mr. Mandeep Singh/ Mr. Lokesh Singh

Compliance Officer: Mr. B. Renganathan

SEBI Regn. No.: INM0000010650

Axis Bank Limited

Axis House, 8th Floor, C-2,
Wadia International Centre,
P.B. Marg, Worli, Mumbai – 400 025,
Maharashtra, India

Tel: +91 22 6604 3293

Fax: +91 22 2425 3800

Email: rhomenov2016@axisbank.com

A. K. Capital Services Limited

30-39 Free Press House,
3rd Floor, Free Press Journal Marg,
Nariman Point,
Mumbai – 400 021,
Maharashtra, India

Tel: +91 22 6754 6500

Fax: +91 22 6610 0594

Email: rhflncd2016@akgroup.co.in

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

Website: www.akcapindia.com

Contact Person: Mr. Girish Sharma/ Mr. Malay Shah

Compliance Officer: Mr. Tejas Davda

SEBI Regn. No.: INM000010411

Trust Investment Advisors Private Limited

1101, Naman Centre, G Block, C-31
BKC, Bandra (E),
Mumbai – 400 051,
Maharashtra, India

Tel: +91 22 4084 5000

Fax: +91 22 4084 5007

Email: mbd.trust@trustgroup.in

Investor Grievance Email:
sharad.sawant@axisbank.com
Website: www.axisbank.com
Contact Person: Mr. Vikas Shinde
Compliance Officer: Mr. Sharad Sawant
SEBI Regn. No.: INM000006104

Investor Grievance Email:
customercare@trustgroup.in
Website: www.trustgroup.in
Contact Person: Mr. Anindya Sen
Compliance Officer: Mr. Balkrishna Shah
SEBI Regn. No.: INM000011120

YES Securities (India) Limited

IFC, Tower 1 & 2, Unit no. 602A,
6th Floor, Senapati Bapat Marg,
Elphinstone Road, Mumbai – 400 013,
Maharashtra, India
Tel.: +91 22 3347 9606
Fax: +91 22 2421 4508
Email: rhflncd2016@yessecuritiesltd.in
Investor Grievance Email: igc@yessecuritiesltd.in
Website: www.yesinvest.in
Contact Person: Mr. Devendra Maydeo
Compliance Person: Dr. Dhanraj Uchil
SEBI Regn. No.: INM000012227

Consortium Members

Following are the Consortium Members for marketing of the Tranche 1 Issue:

Edelweiss Securities Limited

2nd Floor, M. B. Towers,
Plot No. 5, Road No. 2,
Banjara Hills,
Hyderabad – 500 034,
Telangana, India.
Tel: +91 22 4063 5569
Fax: +91 22 6747 1347
E-mail: Prakash.boricha@edelweissfin.com
Investor Grievance Email:
Customercare@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Mr. Prakash Boricha
SEBI Regn. No.: INBO11193332 (BSE)/
INB231193310 (NSE)/ INB261193396 (MSEI)

Axis Capital Limited

Axis House, 8th Floor, C-2,
Wadia International Centre,
P.B. Marg, Worli,
Mumbai – 400 025
Maharashtra, India.
Tel: +91 22 4325 1199
Fax: +91 22 4325 3000
E-mail: vinayak.ketkar@axiscap.in
Investor Grievance e-mail:
vinayak.ketkar@axiscap.in
Website: www.axiscap.co.in
Contact Person: Mr. Vinayak Ketkar
Compliance Officer: Mr. M. Natarajan
SEBI Regn. No.: INM000012029

A.K. Stockmart Private Limited

30-39, Free Press House,
Free Press Journal Marg,
215, Nariman Point,
Mumbai – 400 021,
Maharashtra, India.
Tel: +91 22 6754 6500
Fax: +91 22 6754 4666
E-mail: ankit.gupta@akgroup.co.in/
sanjay.shah@akgroup.co.in
Investor Grievance E-mail: stockmart@akgroup.co.in
Website: www.akcapindia.com
Contact Person: Mr. Ankit Gupta and Mr. Sanjay Shah
Compliance Officer: Mr. Ankit Gupta
SEBI Regn. No.: INB231269532(NSE) /
INB011269538(BSE)

Trust Financial Consultancy Services Private Limited

1101, Naman Centre, G Block C-31,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400 051,
Maharashtra, India.
Tel: +91 22 4084 5000
Fax: +91 22 4084 5007
E-mail: pranav.inamdar@trustgroup.in
Investor Grievance E-mail: grievances@trustgroup.in
Website: www.trustgroup.in
Contact Person: Mr. Pranav Inamdar
Compliance Officer: Mr. Rajesh Nag
SEBI Regn. No.: NSE: INB231198731, BSE:
INB011198737

Debenture Trustee

IDBI Trusteeship Services Limited

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

Tel: +91 22 4080 7000;

Fax: +91 22 6631 1776;

Email: itsl@idbitrustee.com

Investor Grievance email: subrat@ idbitrustee.com/ response@idbitrustee.com

Website: www.idbitrustee.com

Contact Person: Mr. Subrat Udgata

SEBI Regn. Number: IND000000460

IDBI Trusteeship Services Limited has, pursuant to regulation 4(4) of SEBI Debt Regulations, by its letter dated November 10, 2016 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

All the rights and remedies of the Debenture 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 Debenture 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 Debenture Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the Debenture Holders.

Registrar

Karvy Computershare Private Limited

Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032
Telangana, India

Tel: +91 40 6716 1500

Fax: +91 40 6716 1791

Email: mis.radag@karvy.com

Investor Grievance Email: rhfl.ncd@karvy.com

Website: <http://karisma.karvy.com>

Contact Person: Mr. M Murali Krishna

SEBI Regn. No: INR00000021

CIN: U72400TG2003PTC041636

Statutory Auditor

Chaturvedi & Shah

Chartered Accountants

714 - 715, Tulsiani Chambers,
212, Nariman Point,
Mumbai – 400 020,
Maharashtra, India.

Tel.: +91 22 4009 0583

Fax.: +91 22 4009 0666

Email: cas@cas.ind.in

Firm Regn. number: 101720W

Contact Person: Mr. Vijay Napawaliya

Date of appointment as Statutory Auditors: The Statutory Auditor was originally appointed on June 7, 2008 and have been appointed as Statutory Auditors for the Financial Year 2016-17 in AGM held on August 4, 2016.

Credit Rating Agencies

Credit Analysis and Research Limited

4th Floor, Godrej Coliseum,
Somaiya Hospital Road,
Off Eastern Express Highway,
Sion (East), Mumbai – 400 022,
Maharashtra, India
Tel: +91 22 6754 3456
Fax: +91 22 6754 3457
Email: care@careratings.com
Website: www.careratings.com
Contact Person: Mr. P. N. Sathees Kumar
SEBI Regn. No.: IN/CRA/004/1999

Brickwork Ratings India Private Limited

3rd Floor, Raj Alkaa Park,
Kalena Agrahara,
Banerghatta Road,
Bengaluru – 560 076,
Karnataka, India
Tel: +91 22 2831 1426
Fax: +91 22 2838 9144
Email: kn.suvarna@brickworkratings.com
Website: www.brickworkratings.com
Contact Person: Mr. K. N. Suvarna
SEBI Regn. No.: IN/CRA/005/2008

Legal Advisor to the Issue

Khaitan & Co

One Indiabulls Centre,
13th Floor, Tower 1,
841 Senapati Bapat Marg,
Mumbai – 400 013,
Maharashtra, India.
Tel: +91 22 6636 5000
Fax: +91 22 6636 5050

Escrow Collection Banks / Bankers to the Issue

HDFC Bank Limited

FIG - OPS Department, - Lodha,
I Think Techno Campus,
O-3, Level, Next to Kanjurmarg Railway Station,
Kanjurmarg (East),
Mumbai – 400 042,
Maharashtra, India
Attn: Mr. Vincent D'Souza
Tel: +91 22 3075 2928
Fax: +91 22 2579 9801
Email: vincent.dsouza@hdfcbank.com
Website: www.hdfcbank.com
SEBI Regn. No.: INBI00000063

ICICI Bank Limited

Capital Markets Division
1st floor, 122, Mistry Bhavan,
Dinshaw Vachha Road,
Backbay Reclamation, Churchgate,
Mumbai – 400 020,
Maharashtra, India
Attn: Mr. Rishav Bagrecha
Tel: +91 22 2285 9907/24
Fax: +91 22 2261 1138
Email: rishav.bagrecha@icicibank.com
Website: www.icicibank.com
SEBI Regn. No.: INBI00000004

IndusInd Bank Limited

IndusInd Bank, PNA House,
4th Floor, Plot No. 57 and 57/1,
Road No. 17,
MIDC, Andheri (East),
Mumbai – 400 093,
Maharashtra, India
Attn: Mr. Suresh Esaki
Tel: +91 22 61069234
Fax: +91 22 6623 8021

Email: suresh.esaki@indusindbank.com
Website: www.indusind.com
SEBI Regn. No.: INBI00000002

Refund Bank to the Issue

HDFC Bank Limited

FIG - OPS Department, - Lodha,
I Think Techno Campus,
O-3, Level, Next to Kanjurmarg Railway Station,
Kanjurmarg (East),
Mumbai – 400 042,
Maharashtra, India
Attn: Mr. Vincent D'Souza
Tel: +91 22 3075 2928
Fax: +91 22 2579 9801
Email: vincent.dsouza@hdfcbank.com
Website: www.hdfcbank.com
SEBI Regn. No.: INBI00000063

Self Certified Syndicate Banks

The banks which are registered with SEBI under Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account, a list of which is available on <http://www.sebi.gov.in> or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

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

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”.

Underwriting

This Tranche 1 Issue is not underwritten.

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, within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within 12 days from the date

of closure of the Issue. In the event, there is a delay, by our Company in making the aforesaid refund within the prescribed time limit, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular (bearing CIR/IMD/DF-1/20/2012) dated July 27, 2012.

Credit Rating and Rationale

The Secured NCDs proposed to be issued under this Issue have been rated ‘CARE AA+; Stable (Double A plus; Outlook: Stable)’ for an amount of ₹ 3,00,000 lakhs, by CARE *vide* their letter dated October 13, 2016 (*validated as on December 7, 2016*) and BWR AA+ (Pronounced as BWR Double A Plus) Outlook: Stable for an amount of ₹ 3,00,000 lakhs, by Brickwork *vide* their letter dated October 25, 2016 (*validated as on December 6, 2016*). The rating of CARE AA+; Stable by CARE and BWR AA+, Outlook: Stable by Brickwork indicate that 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 Un-Secured NCDs proposed to be issued under this Issue have been rated ‘CARE AA: Stable (Double A; Outlook: Stable)’ for an amount of ₹ 50,000 lakhs, by CARE *vide* their letter dated November 8, 2016 (*validated as on December 7, 2016*) and BWR AA (Pronounced as BWR Double A) Outlook: Stable for an amount of ₹ 50,000 lakhs, by Brickwork *vide* their letter dated October 4, 2016 (*validated as on December 6, 2016*). The rating of CARE AA; Stable by CARE and BWR AA, Outlook: Stable by Brickwork indicate that 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. For the rationale for these ratings, see Annexure A and B to the Shelf Prospectus. This rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. This rating is subject to 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 to the Shelf Prospectus.

Utilisation of Issue proceeds

For details on utilization of Issue proceeds please refer to the chapter titled “*Objects of the Tranche 1 Issue*” on page 19.

Issue Programme

| Issue Programme* | |
|---------------------------|-----------------------------|
| Tranche 1 Issue Opens on | Thursday, December 22, 2016 |
| Tranche 1 Issue Closes on | Friday, January 6, 2017 |

* *The Tranche 1 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 (“Board”) or the NCD Committee. In the event of an early closure or extension of the Tranche 1 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 initial date of Tranche 1 Issue closure. On the Tranche 1 Issue Closing Date, the Application Forms for Tranche 1 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.*

Applications Forms for the Tranche 1 Issue will be accepted only between 10 a.m. and 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, during the Tranche 1 Issue Period as mentioned above on all days between Monday and Friday (both inclusive barring public holiday), (i) by the Consortium, sub-brokers or the Trading Members of the Stock Exchange, as the case maybe, at the centres mentioned in Application Form through the non-ASBA mode or, (ii) in case of ASBA Applications, (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 Tranche 1 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.

Due to limitation of time available for uploading the Applications on the Tranche 1 Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche 1 Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche 1 Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche 1 Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers or Trading Members of the Stock Exchanges are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise.

OBJECTS OF THE TRANCHE 1 ISSUE

Our Company proposes to utilise the funds which are being raised through the Tranche 1 Issue, after deducting the Tranche 1 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/ prepayment of interest and principal of existing borrowings of the Company;
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 Tranche 1 Issue and also the activities which our Company has been carrying on till date.

The details of the Proceeds of the Tranche 1 Issue are set forth in the following table:

(₹ in lakhs)

| Sr. No. | Description | Amount |
|---------|--|----------|
| 1. | Gross Proceeds of the Tranche 1 Issue* | 3,50,000 |
| 2. | Tranche 1 Issue Related Expenses** | 3,900 |
| 3. | Net Proceeds | 3,46,100 |

*Assuming this Tranche 1 Issue is fully subscribed and our Company retains oversubscription upto the Shelf Limit.

** The above expenses are indicative and are subject to change depending on the actual level of subscription to the Tranche 1 Issue and 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 Tranche 1 Issue and the amount proposed to be financed from the Net Proceeds:

| Sr. No. | Objects of the Fresh Issue | Percentage of amount proposed to be financed from Net Proceeds |
|--------------|---|--|
| 1. | For the purpose of onward lending, financing, and for repayment/ prepayment of interest and principal of existing borrowings of the Company | At least 75% |
| 2. | General Corporate Purposes* | Maximum of up to 25% |
| Total | | 100% |

*The Net Proceeds will be utilized towards the Objects mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the amount raised in the Tranche 1 Issue, in compliance with the SEBI Debt Regulations.

The Net Proceeds will be utilised in accordance with statutory and regulatory requirements including requirements of NHB, RBI or any other applicable regulatory authority.

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 Tranche 1 Issue. Pending utilization of the proceeds out of the Tranche 1 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 securities as may be approved by the Board. Such investment would be in accordance with the investment policies approved by the Board or any committee thereof 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 Tranche 1 Issue. For the relevant Financial Years commencing from Financial Year 2016-17, our Company will disclose in our financial statements, the utilization of the net proceeds of the Tranche 1 Issue under a separate head along with details, if any, in relation to all such proceeds of the Tranche 1 Issue that have not been utilized thereby also indicating investments, if any, of such unutilized proceeds of the Tranche 1 Issue. Our Company shall utilize the proceeds of the Tranche 1 Issue only upon the execution of the documents for creation of security and receipt of final listing and trading approval from the Stock Exchanges.

Tranche 1 Issue expenses

A portion of this Tranche 1 Issue proceeds will be used to meet Issue expenses. The following are the estimated Issue expenses, for the Tranche 1 issue:

| Particulars | Amount (₹ in lakhs) | As percentage of Issue proceeds (in %) | As percentage of total expenses of the Tranche 1 Issue (in %) |
|--|------------------------|---|--|
| Lead Managers Fee, Selling and Brokerage Commission, SCSB Processing Fee | 3,500 | 1.00% | 89.74% |
| Registrar to the Issue | 2 | 0.00% | 0.05% |
| Debenture Trustee | 13 | 0.00% | 0.33% |
| Advertising and Marketing | 250 | 0.07% | 6.41% |
| Printing and Stationery Costs | 25 | 0.01% | 0.64% |
| Other Miscellaneous Expenses | 110 | 0.03% | 2.82% |
| Grand Total | 3,900 | 1.11% | 100.00% |

Note: The above expenses are indicative and are subject to change depending on the actual level of subscription to the Tranche 1 Issue and the number of Allottees, market conditions and other relevant factors.

Our Company shall pay processing fees to the SCSBs for ASBA forms procured by Lead Managers/ Consortium Members/ Sub-Consortium Members/Brokers / Sub brokers/Trading Members and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹ 15 per Application Form procured (plus service tax and other applicable taxes). However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee.

Other Confirmation

In accordance with the SEBI Debt Regulations, our Company will not utilize the proceeds of the Tranche 1 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 Tranche 1 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 dealing in equity shares of any other listed company.

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 Tranche 1 Prospectus is issued, except as may be prescribed under the applicable laws and under Section 27 of the Companies Act, 2013.

MATERIAL DEVELOPMENTS

There are no recent developments in relation to our Company other than as disclosed in the Shelf Prospectus which would make them misleading in any material respect.

All disclosures made in this Tranche 1 Prospectus, read together with the Shelf Prospectus as the “Prospectus” with respect to Tranche 1 Issue are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed Issue. The 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 material facts, the omission of which makes the Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

At the meeting of the Board of Directors of our Company, held on November 10, 2016 the Directors approved the issue of Secured NCDs up to ₹ 3,00,000 lakhs and Un-Secured NCDs up to ₹ 50,000 lakhs, aggregating upto a shelf limit not exceeding ₹ 3,50,000 lakhs, in one or more tranches 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 in the AGM dated August 4, 2016.

Prohibition by SEBI

Our Company, persons in control of our Company and/or our Directors and/or our Promoter 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 has not been identified as wilful defaulter by the RBI, ECGC, any government/regulatory authority and/or by any bank or financial institution.

Disclaimer Clause of SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, EDELWEISS FINANCIAL SERVICES LIMITED, A. K. CAPITAL SERVICES LIMITED, AXIS BANK LIMITED, TRUST INVESTMENT ADVISORS PRIVATE LIMITED, AND YES SECURITIES (INDIA) LIMITED HAVE 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 MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, EDELWEISS FINANCIAL SERVICES LIMITED, A. K. CAPITAL SERVICES LIMITED, AXIS BANK LIMITED, TRUST INVESTMENT ADVISORS PRIVATE LIMITED, AND YES SECURITIES (INDIA) LIMITED HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED DECEMBER 15, 2016 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 SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- 2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE TRANCHE 1 ISSUE OR RELATING TO THE TRANCHE 1 ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THE TRANCHE 1 ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE**

ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE TRANCHE 1 ISSUE HAVE BEEN GIVEN.

- 3. WE CONFIRM THAT THE PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008.**
- 4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013, 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.**

WE CONFIRM THAT NO COMMENTS/ COMPLAINTS WERE RECEIVED ON THE DRAFT SHELF PROSPECTUS DATED NOVEMBER 15, 2016 FILED WITH THE BSE LIMITED AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED.

(for the purposes of due diligence certificate, term 'Prospectus' shall constitute Shelf Prospectus and Tranche 1 Prospectus).

Disclaimer Clause of BSE

BSE LIMITED ("THE EXCHANGE") HAS GIVEN VIDE ITS LETTER DATED NOVEMBER 22, 2016, PERMISSION TO THIS COMPANY TO USE THE EXCHANGE'S NAME IN THIS OFFER DOCUMENT AS ONE OF THE STOCK EXCHANGES ON WHICH THIS COMPANY'S SECURITIES ARE PROPOSED TO BE LISTED. THE EXCHANGE HAS SCRUTINIZED THIS OFFER DOCUMENT FOR ITS LIMITED INTERNAL PURPOSE OF DECIDING ON THE MATTER OF GRANTING THE AFORESAID PERMISSION TO THIS COMPANY. THE EXCHANGE DOES NOT IN ANY MANNER:

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

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

Disclaimer Clause of NSE

AS REQUIRED, A COPY OF THIS OFFER DOCUMENT HAS BEEN SUBMITTED TO NATIONAL STOCK EXCHANGE OF INDIA LIMITED (HEREINAFTER REFERRED TO AS NSE). NSE HAS GIVEN VIDE ITS LETTER REF NSE/LIST/ 94728 DATED NOVEMBER 23, 2016 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 PROMOTERS, 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 the NHB

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED JANUARY 6, 2009 ISSUED BY THE NATIONAL HOUSING BANK UNDER SECTION 29A OF THE NATIONAL HOUSING BANK ACT, 1987. HOWEVER, THE NHB DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/DISCHARGE OF LIABILITIES BY THE COMPANY.

Track record of past public issues handled by the Lead Managers

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

| Name of Lead Manager | Website |
|---|---|
| Edelweiss Financial Services Limited | www.edelweissfin.com |
| A.K. Capital Services Limited | www.akcapindia.com |
| Axis Bank Limited | www.axisbank.com |
| Trust Investment Advisors Private Limited | www.trustgroup.in |
| YES Securities (India) Limited | http://yesinvest.in/YES/aboutus.jsp |

Listing

The NCDs offered through this Tranche 1 Prospectus are proposed to be listed on the BSE and NSE. Our Company has obtained an ‘in-principle’ approval for the Issue from BSE *vide* their letter no. DCS/BM/PI-BOND/4/16-17 dated November 22, 2016 and NSE *vide* their letter no. NSE/LIST/ 94728 dated November 23, 2016. For the purposes of the Issue, BSE is the Designated Stock Exchange.

If permissions to deal in and for an official quotation of our NCDs are not granted by Stock Exchanges, our Company will forthwith repay, without interest, all moneys received from the Applicants in pursuance of this Tranche 1Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges mentioned above are taken within 12 Working Days from the date of closure of this Tranche 1 Issue.

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer (c) Lead Managers; (d) the Registrar to the Issue, (e) Legal Advisor to the Issue, (f) Credit Rating Agencies, (g) the Debenture Trustee (h) Chief Financial Officer (i) Banker to the Issue, (j) Refund Banker, (k) Consortium Members and (l) CRISIL in their respective capacities, have been obtained and the same will be filed along with a copy of the Shelf Prospectus and this Tranche 1 Prospectus with the RoC.

The consent of the Statutory Auditors of our Company, namely Chaturvedi & Shah, *Chartered Accountants* for (a) inclusion of their name as the Statutory Auditors, (b) examination reports on Reformatted Financial Statements in the form and context in which they appear in this Tranche 1Prospectus, and (c) statement of tax benefits have

been obtained and has not withdrawn such consent and the same will be filed with RoC, along with a copy of the Shelf Prospectus and this Tranche 1 Prospectus.

Expert Opinion

Except the following, our Company has not obtained any expert opinions in connection with this Tranche 1 Prospectus:

1. Our Company has received consent from its Statutory Auditors namely, Chaturvedi & Shah, *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 and such consent has not been withdrawn as on the date of this Tranche 1 Prospectus.
2. Our Company has received consent from CARE to act as the credit rating agency to the Issue and an “Expert” as defined under Companies Act, 2013 *vide* its letter dated November 10, 2016.
3. Our Company has received consent from Brickwork to act as the credit rating agency to the Issue and an “Expert” as defined under Companies Act, 2013 *vide* its letter dated November 10, 2016.

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. If our Company does not receive the minimum subscription of 75% of the Base Issue, within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within 12 days from the date of closure of the Issue. In the event, there is a delay, by the Issuer in making the aforesaid refund, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular (bearing CIR/IMD/DF-1/20/2012) dated July 27, 2012.

Filing of the Draft Shelf Prospectus

A copy of the Draft Self Prospectus has been filed with the Stock Exchanges in terms of SEBI Debt Regulations for dissemination on their respective websites on November 15, 2016.

Filing of the Shelf Prospectus and Tranche 1 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 this Tranche 1 Prospectus has been filed with the RoC, in accordance with Section 26 and Section 31 of Companies Act, 2013.

Debenture Redemption Reserve

Section 71 (4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, further states that for a HFC registered with NHB, ‘the adequacy’ of DRR shall be 25% of the value of outstanding debentures issued through a public issue as per the SEBI Debt Regulations. Accordingly, our Company is required to create a DRR

of 25% of the value of the NCDs, outstanding as on date, issued through the Issue. In addition, as per Rule 18 (7) (e) under Chapter IV of the Companies Act, 2013, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. The Rules further mandate that every company required to maintain DRR shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on 31st day of March of that year.

Issue Related Expenses

The expenses of this Tranche 1 Issue include, *inter alia*, lead management fees and selling commission to the Lead Managers, consortium members, fees payable to debenture trustees, underwriters (if any), the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses, listing fees and other miscellaneous expenses. The Tranche 1 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 chapter "*Objects of the Tranche 1 Issue*" on page 19.

Reservation

No portion of this Issue has been reserved.

Public/ Rights Issues

Our Company has not made any public or rights issuances in the last five years.

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

Nil

Debentures or bonds and redeemable preference shares and other instruments issued by our Company and outstanding

As on September 30, 2016 our Company has listed rated, secured/ Un-Secured, Non Convertible redeemable debentures and listed subordinated debt. For further details, please refer to the chapter titled "*Financial Indebtedness*" on page 110 of the Shelf Prospectus.

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 paid any dividend in the last five financial years on Equity Shares. Our Company has paid a dividend of ₹ 28,56,000 on Preference Shares. The dividend was declared on January 24, 2013 and paid on February 15, 2013.

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 November 10, 2016 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 despatch of the Allotment Advice, demat credit and refund orders to enable the investors to approach the Registrar to the Tranche 1 Issue for redressal of their grievances.

All grievances relating to the Tranche 1 Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Applicant, number of NCDs applied for, amount paid on application and the bank branch or collection centre where the application was submitted. The contact details of Registrar to the Issue are as follows:

Karvy Computershare Private Limited

Karvy Selenium Tower B,
Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad – 500 032,
Telangana, India
Tel: +91 40 6716 1500
Fax: +91 40 6716 1791
Email: mis.radag@karvy.com
Investor Grievance Email: rhfl.ncd@karvy.com
Website: <http://karisma.karvy.com>
Contact Person: Mr. M Murali Krishna
SEBI Regn. No: INR00000021
CIN: U72400TG2003PTC041636

The Registrar shall endeavour to redress complaints of the investors within three (3) days of receipt of the complaint and our Company shall extend necessary co-operation to the Registrar for its complying with the said requirements. 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 Tranche 1 Issue are set out below:

Ms. Parul Jain
Company Secretary & Compliance Officer

Reliance Centre, 6th Floor, South Wing,
Off Western Express Highway,
Santacruz (East), Mumbai – 400 055,
Maharashtra, India;
Tel: +91 22 3303 6000;
Fax: +91 22 2610 3299;
Email: rhfl.secretarial@relianceada.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 Auditors of our Company in the last 3 (three) Fiscals preceding the date of this Tranche 1 Prospectus.

SECTION III- 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 the chapter titled “*Terms of the Issue*” on page 33 and “*Issue Procedure*” on page 51.

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

| | |
|--|--|
| Issuer | Reliance Home Finance Limited |
| Type of instrument/ Name of the security/ Seniority | Secured Redeemable Non Convertible Debentures and Un-Secured Redeemable Non Convertible Debentures in the nature of Subordinated Debt and eligible for inclusion as Upper Tier II capital |
| Nature of the instrument | Secured Redeemable Non Convertible Debentures and Un-Secured Redeemable Non Convertible Debentures in the nature of Subordinated Debt and eligible for inclusion as Upper Tier II capital |
| Mode of the issue | Public Issue |
| Lead Managers | Edelweiss Financial Services Limited, A. K. Capital Services Limited, Axis Bank Limited, Trust Investment Advisors Private Limited, and Yes Securities (India) Limited |
| Debenture Trustee | IDBI Trusteeship Services Limited |
| Depositories | NSDL and CDSL |
| Registrar | Karvy Computershare Private Limited |
| Base Issue Size | ₹1,00,000 lakhs |
| Option to retain Oversubscription Amount | Upto the Shelf Limit, i.e. an amount up to ₹ 3,00,000 lakhs for Secured NCDs and upto ₹ 50,000 lakhs for Un-Secured NCDs aggregating upto ₹ 3,50,000 lakhs |
| Eligible investors | Please refer to “ <i>Issue Procedure – Who can apply?</i> ” on page 52 |
| Objects of the Issue | Please refer to the chapter titled “ <i>Objects of the Tranche 1 Issue</i> ” on page 19 |
| Details of utilization of the proceeds | Please refer to the chapter titled “ <i>Objects of the Tranche 1 Issue</i> ” on page 19 |
| Interest rate for each category of investors | Please refer to titled “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 40 |
| Step up/ Step down interest rates | No Step up/ Step down option available for Secured NCDs Step up of 25 basis points above coupon after 10 years from Deemed Date of Allotment, if call option is not exercised |
| Interest type | Fixed |
| Interest reset process | NA |
| Issuance mode of the instrument | Physical and demat* |
| Trading mode of the instrument | Compulsorily in dematerialised form |
| Settlement mode of the Instrument | 1. Direct credit; 2. NECS; 3. RTGS; 4. NEFT; and 5. Cheques / pay order / demand draft. For further details in respect of the aforesaid modes, please refer to the chapter titled “ <i>Issue Procedure – Terms of Payment</i> ” on page 67. |
| Frequency of interest payment | Please refer to “ <i>Terms of the Issue - Terms and Conditions in Connection with The NCDs</i> ” on page 32 |
| Interest payment date | Please refer to “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 40 |
| Day count basis | Actual/ Actual |
| Interest on application money | Please refer to “ <i>Terms of the Issue - Interest on Application Amount</i> ” on page 42 |

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| Default interest rate | Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, execution of Debenture Trust Deeds, 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 | Please refer to “ <i>Terms of the Issue - Interest and Payment of Interest</i> ” on page 40 |
| Redemption Date | Shall mean 3 years from Deemed Date of Allotment for Series I NCDs; 5 years from Deemed Date of Allotment for Series II NCDs, 10 years from Deemed Date of Allotment for Series III NCDs and 15 years from Deemed Date of Allotment for Series IV NCDs (subject to exercise of call option). If the Redemption Date/ Maturity Date of any Series of the NCDs falls on a day that is not a Working Day, the redemption/ maturity proceeds shall be paid on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. |
| Redemption Amount | The principal amount on the Secured NCDs along with interest, if any, accrued on them as on the Redemption Date Subject to lock-in requirements as prescribed by NHB, the principal amount on the Un-Secured NCDs along with interest, if any, accrued on them as on the Redemption Date. For details please refer to “ <i>Terms of the Issue - Put/ Call Option in relation to Un-Secured NCD Holders</i> ” on page 43 |
| Redemption premium/ discount | N.A. |
| Face value | ₹ 1,000 per NCD |
| Issue Price (in ₹) | ₹ 1,000 per NCD |
| Discount at which security is issued and the effective yield as a result of such discount. | N.A. |
| Put and call option | There are no put options available for Secured NCDs and Un-Secured NCDs. There is no call option available for Secured NCDs In case of Un-Secured NCDs, call option may be exercised only after 10 years from the deemed date of allotment, with the prior approval of NHB and in terms of SEBI Debt Regulations. For details see “ <i>Terms of the Issue - Put/ Call Option in relation to Un-Secured NCD Holders</i> ” on page 43 |
| Put option date | N.A. |
| Put option price | N.A. |
| Call option date | Call option may be exercised only after 10 years from the deemed date of allotment and with the prior approval of NHB and in terms of SEBI Debt Regulations. For details please refer to “ <i>Terms of the Issue - Put/ Call Option in relation to Un-Secured NCD Holders</i> ” on page 43 |
| Call option price | N.A. |
| Put notification time | N.A. |
| Call notification time | Written notice for exercise of Call Option to be issued by our Company atleast 21 days prior to the exercise date subject to receipt of approval from NHB. |
| Minimum Application size and in multiples of NCD thereafter | ₹ 10,000 (10 NCDs) collectively across all Series and in multiple of ₹ 1,000 (1 NCD) thereafter across all Series |
| Market Lot/ Trading Lot | One NCD |
| Pay-in date | Application Date. The entire Application Amount is payable on Application. |
| Credit ratings | The Secured NCDs proposed to be issued under this Issue have been rated ‘CARE AA+; Stable (Double A plus; Outlook: Stable)’ for an amount of ₹ 3,00,000 lakhs, by CARE vide their letter dated October 13, 2016 (<i>validated as on December 7, 2016</i>) and BWR AA+ (Pronounced as BWR Double A Plus) Outlook: Stable for an amount of ₹ 3,00,000 lakhs, by Brickwork vide |

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| | <p>their letter dated October 25, 2016 (<i>validated as on December 6, 2016</i>). The rating of CARE AA+; Stable by CARE and BWR AA+, Outlook: Stable by Brickwork indicate that 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 Un-Secured NCDs proposed to be issued under this Issue have been rated ‘CARE AA: Stable (Double A; Outlook: Stable)’ for an amount of ₹50,000 lakhs, by CARE <i>vide</i> their letter dated November 8, 2016 (<i>validated as on December 7, 2016</i>) and BWR AA (Pronounced as BWR Double A) Outlook: Stable for an amount of ₹50,000 lakhs, by Brickwork <i>vide</i> their letter dated October 4, 2016 (<i>validated as on December 6, 2016</i>). The rating of CARE AA; Stable by CARE and BWR AA, Outlook: Stable by Brickwork indicate that 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. For the rationale for these ratings, see Annexure A and B to the Shelf Prospectus. This rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. For the rationale for these ratings, see Annexure A and Annexure B of the Shelf Prospectus.</p> |
| Listing | <p>The NCDs are proposed to be listed on BSE and NSE. The NCDs shall be listed within 12 Working Days from the date of Tranche 1 Issue Closure. For more information, see “Other Regulatory and Statutory Disclosures – Listing” on page 24</p> |
| Modes of payment | <p>Please refer to the chapter titled “Issue Procedure – Terms of Payment” on page 67</p> |
| Trading | <p>In dematerialised form only</p> |
| Tranche 1 Issue opening date | <p>Thursday, December 22, 2016</p> |
| Tranche 1 Issue closing date** | <p>Friday, January 6, 2017</p> <p><i>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 (“Board”) or the NCD 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 a daily national newspaper with wide circulation 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.</i></p> |
| Record date | <p>15 (fifteen) days prior to the relevant interest payment date, relevant Redemption Date for NCDs issued under this Tranche 1 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.</p> <p>However, record date for the purpose of exercise of call option, if any, shall be as referred to in the “Terms of the Issue - Put/ Call Option in relation to Un-Secured NCD Holders” on page 43</p> |
| Security and Asset Cover | <p>The principal amount of the Secured NCDs proposed to be issued in terms of the Shelf Prospectus and this Tranche Prospectus together with all interest due on the NCDs in respect thereof shall be secured by way of first ranking <i>pari passu</i> charge in favour of the Debenture Trustee on specific present and future receivables/assets of our Company and our Promoter as may be decided mutually by our Company and the Debenture Trustee in the Secured Debenture Trust Deed. Our Company and Promoter will create and maintain appropriate security in favour of the Debenture Trustee for the NCD Holders</p> |

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| | <p>on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon), which shall be free from any encumbrances.</p> <p>The Issuer reserves the right to sell or otherwise deal with the assets, including receivables, both present and future, including to create a charge on pari passu basis thereon for its present and future financial requirements, with prior permission of Debenture Trustee in this connection as provided for in the Secured Debenture Trust Deed (except where a minimum security cover of 1 (one) time on the principal amount and interest due thereon, is maintained).</p> <p>No security will be created for Un-Secured NCD in the nature of subordinated Debt. For further details, please refer to the section titled “<i>Terms of the Issue – Security and Asset Cover</i>” on page 49</p> |
| Issue documents | The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche 1 Prospectus read with any notices, corrigendum, addendum thereto, the Debenture Trust Deeds, the Application Form along with the Abridged Prospectus and other documents, if applicable, and various other documents/ agreements/ undertakings, entered or to be entered by our Company with Lead Managers and/or other intermediaries for the purpose of this Issue including but not limited to the Issue Agreement, Debenture Trust Deeds, the Debenture Trustee Agreement, the Tripartite Agreements, the Escrow Agreement, the Registrar Agreement, the Agreement with the Lead Managers and the Consortium Agreement. For further details, please refer to “ <i>Material Contracts and Documents for Inspection</i> ” on page 83 |
| Conditions precedent to disbursement | Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedents 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 | Please refer to the chapter titled “ <i>Terms of the Issue – Events of Default</i> ” on page 34 |
| Deemed Date of Allotment | The date on which the Board of Directors or the NCD Committee approves the Allotment of the NCDs for this Tranche 1 Issue or such date as may be determined by the Board of Directors or the NCD Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture holders from the Deemed Date of Allotment |
| Roles and responsibilities of the Debenture Trustee | Please refer to the chapter titled “ <i>Terms of the Issue – Trustees for the Secured Holders</i> ” on page 34 |
| Governing law and jurisdiction | The governing law and jurisdiction for the purpose of this Tranche 1 Issue shall be Indian law, and the competent courts of jurisdiction in Mumbai, India |
| Working day convention | If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force. In case the 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 |

* 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. SEBI vide letter no. IMD/DOF-1/AKS/OW/32466/2016 dated November 30, 2016 has granted approval to our Company to give option to those Investors who exercise their option to subscribe in physical form as entitled under section 8 (1) of the Depositories Act. However, trading in NCDs shall be compulsorily in dematerialized form.

**This Tranche 1 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 Tranche 1 Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company (“Board”) or the NCD Committee. In the event of an early closure or extension of the Tranche 1

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 initial date of Issue closure. On the Tranche 1 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.

TERMS AND CONDITIONS IN CONNECTION WITH THE NCDS

| Series | I | II | III | IV |
|---|---|---|--|--|
| Frequency of Interest Payment | Annual | Annual | Annual | Annual |
| Nature of Instrument | Secured | Secured | Secured | Un-Secured |
| Minimum Application | ₹ 10,000 (10 NCDs) across all Series collectively | | | |
| In Multiples of thereafter | ₹ 1,000 (1 NCD) | | | |
| Face Value of NCDs (₹ / NCD) | ₹ 1,000 | | | |
| Issue Price (₹ / NCD) | ₹ 1,000 | | | |
| Mode of Interest Payment | Through various options available | | | |
| Tenor | 3 years | 5 years | 10 years | 15 years |
| Coupon (%) for NCD Holders in Category I & Category II | 8.70 | 8.90 | 9.00 | 9.25* |
| Coupon (%) for NCD holders in Category III and Category IV | 8.90 | 9.05 | 9.15 | 9.40* |
| Effective Yield (per annum) for NCD Holders in Category I & Category II | 8.70 | 8.90 | 9.00 | 9.25 |
| Effective Yield (per annum) for NCD Holders in Category III & Category IV | 8.90 | 9.05 | 9.15 | 9.40 |
| Redemption Date | 3 years from the Deemed Date of Allotment | 5 years from the Deemed Date of Allotment | 10 years from the Deemed Date of Allotment | 15 years from the Deemed Date of Allotment |
| Redemption Amount (₹/NCD) | ₹ 1,000 | | | |

* In the event our company does not exercise the call option as described under “*Terms of the Issue - Put/ Call Option in relation to Un-Secured NCD Holders*” on page 43, a step-up of 25 bps above coupon after 10 years from Deemed Date of Allotment shall be payable on every subsequent coupon payment date.

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 excess amount paid on application to the Applicant, in accordance with the terms of specified in “*Issue Procedure – Payment of Refunds*” on page 78.

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

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 where Applicant is an HUF contain the PAN of the HUF and not of the Karta.

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

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of NCDs pursuant to the Issue. For further details, please refer to the chapter titled “*Issue Procedure*” on page 51.

TERMS OF THE ISSUE

GENERAL 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 November 10, 2016. 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 AGM dated August 4, 2016.

Principal Terms & Conditions of this Issue

The NCDs being offered as part of this Tranche 1 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 the Shelf Prospectus, this Tranche 1 Prospectus, the Application Forms, the Abridged Prospectus, the terms and conditions of the Debenture Trust Agreement and the Debenture Trust Deeds, other applicable statutory and/or regulatory requirements including those issued from time to time by SEBI/the Government of India/the Stock Exchanges, RBI, NHB 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 Secured NCDs

The Secured NCDs would constitute secured and senior obligations of our Company and shall be first ranked *pari passu* inter se, and subject to any obligations under applicable statutory and/or regulatory requirements. The Secured NCDs proposed to be issued under this Tranche 1 Issue and all earlier issues of secured debentures outstanding in the books of our Company, shall be first ranked *pari passu* without preference of one over the other except that priority for payment shall be as per applicable date of redemption. The claims of the Secured NCD holders shall rank *pari passu* to those of the other secured creditors of our Company, subject to applicable statutory and/or regulatory requirements.

Ranking of Un-Secured NCDs

The Un-Secured NCDs would constitute unsecured and subordinated obligations of the Company. The Un-Secured NCDs proposed to be issued under this Tranche 1 Issue shall rank above the Tier I capital. The claims of the Un-Secured NCD holders shall be superior to the claims of investors in instruments eligible for inclusion in tier I capital and subordinated to those of the other creditors of our Company, subject to applicable statutory and/or regulatory requirements. Our Company may, subject to applicable RBI and/or NHB requirements and other applicable statutory and/or regulatory provisions, treat the Un-Secured NCDs as Upper Tier II capital.

Debenture Redemption Reserve

Section 71 (4) of the Companies Act, 2013 states that where debentures are issued by any company, the company shall create a debenture redemption reserve out of the profits of the company available for payment of dividend. Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, further states that for a HFC registered with NHB, 'the adequacy' of DRR shall be 25% of the value of outstanding debentures issued through a public issue as per the SEBI Debt Regulations. Accordingly, our Company is required to create a DRR of 25% of the value of the NCDs, outstanding as on date, issued through the Issue. In addition, as per Rule 18 (7) (e) under Chapter IV of the Companies Act, 2013, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. The Rules further mandate that every company required to maintain DRR shall deposit or invest, as the case may be, before the 30th day of April of each year a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March of the next year in any one or more following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The abovementioned amount deposited or invested, must not be utilized for any purpose other than for the repayment of debentures maturing during the year provided that the amount remaining deposited or invested must not at any time fall below 15% of the amount of debentures maturing during year ending on 31st day of March of that year.

Face Value

The face value of each Secured NCD and Un-Secured NCD shall be ₹ 1,000 each, respectively.

Trustees for the NCD Holders

We have appointed IDBI Trusteeship Services Limited to act as the Debenture Trustee for the NCD Holders in terms of Regulation 4(4) of the SEBI Debt Regulations and Section 71 (5) of the Companies Act, 2013 and the rules prescribed thereunder. We and the Debenture Trustee will execute the Debenture Trust Deeds, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The Secured NCD Holders and the Un-secured NCD Holders shall, without further act or deed, be deemed to have irrevocably given their consent to the Debenture Trustee or any of its agents or 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 Deeds, 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 Deeds.

1. Default is committed in payment of the principal amount of the NCDs on the due date(s); and
2. 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 LODR Regulations.

Rights of NCD Holders

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

1. The Secured NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Secured 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 attend and/or vote at any general meeting of our Company's members/shareholders. However, if any resolution affecting the rights attached to the Secured NCDs is to be placed before the members/shareholders of our Company, the said resolution will first be placed before the concerned registered Secured NCD Holders for their consideration. In terms of Section 136 (1) of the Companies Act, 2013, holders of Secured 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 Secured Debenture Trust Deed, including requirements of the RBI/ NHB, the rights, privileges and conditions attached to the Secured NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the Secured NCDs or with the sanction of a special resolution passed at a meeting of the concerned Secured NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the Secured NCDs, if the same are not acceptable to us.

3. Subject to applicable statutory/regulatory requirements and terms of the Secured Debenture Trust Deed, the registered Secured 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 Secured 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 Secured NCD Holders shall be in proportion to the outstanding nominal value of Secured NCDs held by him/her.
4. The Secured NCDs are subject to the provisions of the SEBI Debt Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of the Shelf Prospectus, this Tranche 1 Prospectus, the Application Forms, the terms and conditions of the Secured Debenture Trust Deed, requirements of the NHB, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the Secured NCDs.
5. A register of NCD Holders holding Secured NCDs in physical form (“**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 Secured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of NCD Holders as on the Record Date. For the Secured NCDs issued in dematerialized form, the Depositories shall also maintain the upto date record of holders of the Secured NCDs in dematerialized Form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial holders of Secured NCDs maintained by a Depository for any Secured NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD holders for this purpose.
6. Subject to compliance with RBI and/or NHB requirements, the Secured NCDs can be rolled over only with the consent of the holders of at least 75% of the outstanding amount of the Secured NCDs after providing at least 21 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 rights of the Secured NCD holders will be further enumerated in the Secured Debenture Trust Deed.

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

1. The Un-secured NCDs shall not, except as provided in the Companies Act, 2013, our Memorandum and Articles of Association and/or the Un-secured 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 attend and/or vote at any general meeting of our Company’s members/ shareholders. However, if any resolution affecting the rights attached to the Un-secured NCDs is to be placed before the members/ shareholders of our Company, the said resolution will first be placed before the concerned registered Un-secured 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 Un-secured Debenture Trust Deed, including requirements of the RBI/ NHB including in terms of the circular no. NHB(ND)/ DRS/Pol- No-23/2008 dated April 24, 2008 issued by the NHB with respect to terms and conditions applicable to debt capital instruments to qualify for inclusion as Upper Tier II Capital, applicable to all registered housing finance companies (HFCs), the rights, privileges and conditions attached to the Un-secured NCDs may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the Un-secured NCDs or with the sanction of a special resolution passed at a meeting of the concerned Un-secured NCD Holders, provided that nothing in such consent or resolution shall be operative against us, where such consent or resolution modifies or varies the terms and conditions governing the Un-secured NCDs, if the same are not acceptable to us.
3. Subject to applicable statutory/regulatory requirements and terms of the Un-secured Debenture Trust Deed, the registered Un-secured 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 Un-secured NCDs, either in person or by proxy, at any meeting of the concerned Un-secured 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 Un-secured NCD Holders shall be in proportion to the outstanding nominal value of Un-secured NCDs held by him/her.

4. The Un-secured NCDs are subject to the provisions of the SEBI Debt Regulations, the Companies Act, 2013, the Memorandum and Articles of Association of our Company, the terms of the Shelf Prospectus, this Tranche 1 Prospectus, the Application Forms, the terms and conditions of the Debenture Trust Deeds, requirements of the NHB including the terms of the circular no. NHB(ND)/ DRS/Pol- No-23/2008 dated April 24, 2008 issued by the NHB with respect to terms and conditions applicable to debt capital instruments to qualify for inclusion as Upper Tier II Capital, applicable to all registered housing finance companies (HFCs), 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 Un-secured NCDs.
5. A register of NCD Holders holding Un-secured NCDs in physical form (“**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 Un-secured NCDs will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of NCD Holders as on the Record Date subject to requirements of circular no. NHB(ND)/ DRS/Pol- No-23/2008. For the Un-secured NCDs issued in dematerialized form, the Depositories shall also maintain the upto date record of holders of the Un-secured NCDs in dematerialized Form. In terms of Section 88(3) of the Companies Act, 2013, the register and index of beneficial holders of Un-secured NCDs maintained by a Depository for any Un-secured NCDs in dematerialized form under Section 11 of the Depositories Act shall be deemed to be a Register of NCD holders for this purpose.
6. Subject to compliance with RBI and/or NHB 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 at least 21 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 rights of the Un-secured NCD holders will be further enumerated in the Un-Secured 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 to whom the NCDs were Allotted, such NCDs 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.

Applicants who have opted for allotment of NCDs in the physical form and/or persons holding NCDs in the physical form should provide required details in connection with their nominee to our Company and inform our Company in connection with NCDs held in the physical form.

Jurisdiction

Exclusive jurisdiction for the purpose of this Tranche 1 Issue is with the competent courts of jurisdiction in Mumbai, India.

Application in the Issue

NCDs being issued through this Tranche 1 Prospectus can be applied for, through a valid Application Form filled in by the applicant along with attachments, as applicable.

Form and Denomination

Secured NCDs

In case of Secured NCDs held in physical form, a single certificate will be issued to the Secured NCD Holder for the aggregate amount of the Secured NCDs held ("**Consolidated Certificate**"). A successful Applicant can also request for the issue of Secured NCDs certificates in the denomination of 1 (one) NCD at any time post allotment of the NCDs ("**Market Lot**").

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

Un-Secured NCDs

In case of Un-Secured NCDs held in physical form, a single certificate will be issued to the Un-Secured NCD Holder for the aggregate amount of the Un-Secured NCDs held ("**Consolidated Certificate**"). A successful Applicant can also request for the issue of Un-Secured NCDs certificates in the denomination of 1 (one) NCD at any time post allotment of the NCDs ("**Market Lot**").

In respect of Consolidated Certificates, we will, only upon receipt of a request from the Un-Secured NCD Holder, split such Consolidated Certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of Un-Secured NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the Un-Secured 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 provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles and the Companies Act, 2013 shall apply, mutatis mutandis (to the extent applicable to debentures) to the NCD(s) as well. In respect of the NCDs held in physical form, a suitable instrument of transfer as may be prescribed by the Issuer may be used for the same. 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.

For NCDs held in electronic form:

The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of the NCDs held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. In case the transferee does not have a DP account, the seller can re-materialise the NCDs and thereby convert his dematerialized holding into physical holding. Thereafter, the NCDs can be transferred in the manner as stated above.

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

Title

In case of:

- the NCDs held in the dematerialized form, the person for the time being appearing in the record of beneficial owners maintained by the Depository; and
- the NCDs held in physical form, the person for the time being appearing in the Register of NCD Holders as NCD Holder,

shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated NCD Certificate issued in respect of the NCDs and no person will be liable for so treating the NCD Holder.

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

Succession

Where NCDs are held in joint names and one of the joint 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 and on their consolidation/ splitting except as may be required under applicable statutory and/or regulatory requirements including any requirements of the RBI, NHB and/or as provided in our Articles of Association. Please refer to the chapter titled “*Main Provisions of the Articles of Association of our Company*” on Page 185 of the Shelf Prospectus.

Period of Subscription

| Issue Programme | |
|----------------------------|-----------------------------|
| Tranche 1 Issue Opens on | Thursday, December 22, 2016 |
| Tranche 1 Issue Closes on* | Friday, January 6, 2017 |

**The Tranche 1 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 Tranche 1 Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company (“Board”) or the NCD Committee. In the event of an early closure or extension of the Tranche 1 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 initial date of Tranche 1 Issue closure. On the Tranche 1 Issue Closing Date, the Application Forms for Tranche 1 Issue 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*

Applications Forms for this Tranche 1 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 Lead Managers or the Trading Members of the Stock Exchange, as the case maybe, at the centers mentioned in Application Form through the non-ASBA mode or, (ii) in case of ASBA Applications, (a) directly by the Designated Branches of the SCSBs or (b) by the centers of the Lead Managers or the Trading Members of the Stock Exchange, as the case maybe, only at the Selected Cities. On the Tranche 1 Issue Closing Date Application Forms will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. or such extended time as may be permitted by the Stock Exchange.

Due to limitation of time available for uploading the Applications on the Tranche 1 Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche 1 Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche 1 Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche 1 Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Tranche 1 Issue. Application Forms will only be accepted on Working Days during the Issue Period. Neither our Company, nor the Lead Managers or Trading Members of the Stock Exchanges are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. Please note that the Basis of Allotment under the Issue will be on a date priority basis in accordance with SEBI Circular dated October 29, 2013.

Interest and Payment of Interest

Series I Secured NCDs

In case of Series I Secured NCDs, interest would be paid annually on an Actual/ Actual basis at the following Coupon Rate in connection with the relevant categories of Secured NCD holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series I Secured NCDs:

| Category of NCD holder | Coupon rate (%) per annum |
|------------------------|---------------------------|
| Category I Investor | 8.70 |
| Category II Investor | 8.70 |
| Category III Investor | 8.90 |
| Category IV Investor | 8.90 |

Series I Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 3 years from the Deemed Date of Allotment.

Series II Secured NCDs

In case of Series II Secured NCDs, interest would be paid annually on an Actual/ Actual basis at the following Coupon Rate in connection with the relevant categories of Secured NCD holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series II Secured NCDs:

| Category of NCD holder | Coupon rate (%) per annum |
|------------------------|---------------------------|
| Category I Investor | 8.90 |
| Category II Investor | 8.90 |
| Category III Investor | 9.05 |
| Category IV Investor | 9.05 |

Series II Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 5 years from the Deemed Date of Allotment.

Series III Secured NCDs

In case of Series III Secured NCDs, interest would be paid annually on an Actual/ Actual basis at the following Coupon Rate in connection with the relevant categories of Secured NCD holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series III Secured NCDs:

| Category of NCD holder | Coupon rate (%) per annum |
|------------------------|---------------------------|
| Category I Investor | 9.00 |
| Category II Investor | 9.00 |
| Category III Investor | 9.15 |
| Category IV Investor | 9.15 |

Series III Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 10 years from the Deemed Date of Allotment.

Series IV Un-Secured NCDs

In case of Series IV Un-secured NCDs, interest would be paid annually on an Actual/ Actual basis at the following Coupon Rate in connection with the relevant categories of NCD holders, on the amount outstanding from time to time, commencing from the Deemed Date of Allotment of each Series IV Un-secured NCDs:

| Category of NCD holder | Coupon rate (%) per annum |
|------------------------|---------------------------|
| Category I Investor | 9.25 |
| Category II Investor | 9.25 |
| Category III Investor | 9.40 |
| Category IV Investor | 9.40 |

Series IV Un-secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 15 years from the Deemed Date of Allotment subject to the following:

1. The Series IV NCDs are subject to a lock-in in terms of NHB circular (NHB(ND)/ DRS/Pol- No-23/2008) dated April 24, 2008 under which our Company shall not be liable to pay either interest or principal, even at maturity, if:
 - i. our CRAR is below the minimum regulatory requirement prescribed by NHB; or
 - ii. the impact of such payment results in our CRAR falling below or remaining below, the minimum regulatory requirement prescribed by NHB;
2. However, our Company may pay interest with the prior approval of NHB when the impact of such payment may result in net loss or increase the net loss provided our CRAR remains above the regulatory norm.
3. The interest amount due and remaining unpaid, as above, may be allowed to be paid in the later years in cash/cheque subject to our Company complying with the above regulatory requirement.
4. All instances of invocation of the lock-in clause would be notified by the Company to the General Manager of Department of Regulation and Supervision of the NHB.
5. Our Company can exercise its call option upon expiry of 10 years from the deemed date of allotment, subject to regulatory approvals. For details please refer to “*Terms of the Issue - Put/ Call Option in relation to Un-Secured NCD Holders*” on page 43.

Basis of Payment of Interest

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

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

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

Taxation

Any tax exemption certificate/document must be lodged at the office of the Registrar at least 7 (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.

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 and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed NCDs held in the dematerialized 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 (in case of resident Individuals and HUFs), 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 to the Registrar quoting the name of the sole/ first NCD Holder, NCD folio number and the distinctive number(s) of the NCD held, 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 from 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.

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 Tranche 1 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 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, 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

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 Circulars No. CIR/IMD/DF/18/2013 October 29, 2013 and CIR/IMD/DF-1/122/2016 dated November 11, 2016 please refer to Annexure A to this Tranche 1 Prospectus.

Interest on Application Amount

Interest on application amounts received which are used towards allotment of NCDs

Our Company shall pay interest on application amount against which NCDs are allotted to the Applicants, other than to ASBA Applicants, subject to deduction of income tax under the provisions of the Income Tax Act, 1961, as amended, as applicable, from the date of realization of the cheque(s)/demand draft(s) upto one day prior to the Deemed Date of Allotment at the rate of 8.00% p.a. In the event that such date of realization of the cheque(s)/demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts on the amount Allotted from three Working Days from the date of upload of each Application on the electronic Application platform of the Stock Exchanges upto one day prior to the Deemed Date of Allotment.

A tax deduction certificate will be issued for the amount of income tax so deducted.

Our Company may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Applicants. Alternatively, the interest warrant will be dispatched along with the Letter(s) of Allotment/ NCD Certificates at the sole risk of the Applicant, to the sole/first Applicant.

Interest on application amounts received which are liable to be refunded

Our Company shall pay interest on application amount, on all valid applications, which is liable to be refunded to the Applicants (other than Application Amounts received after the Tranche 1 Issue Closure Date, and ASBA Applicants) pursuant to the Tranche 1 Issue at the rate of 5.50% p.a., subject to deduction of income tax under the provisions of the Income Tax Act, 1961, as amended, as applicable, to the Applicants whose Valid Applications receive (i) partial allotment due to oversubscription or (ii) no allotment due to oversubscription pursuant to this Tranche 1 Issue from the date of realization of the cheque(s)/demand draft(s) upto one day prior to the Deemed Date of Allotment. In the event that such date of realization of the cheque(s)/demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts on the amount Allotted from three Working Days from the date of upload of each Application on the electronic Application platform of the Stock

Exchanges upto one day prior to the Deemed Date of Allotment. Such interest shall be paid along with the monies liable to be refunded. Interest warrant will be dispatched / credited (in case of electronic payment) along with the Letter(s) of Allotment/ Letter(s) of Refund at the sole risk of the Applicant, to the sole/first Applicant.

In the event our Company does not receive a minimum subscription, as specified in this Tranche 1 Prospectus on the date of closure of the Tranche 1 Issue, our Company shall pay interest on application amount which is liable to be refunded to the Applicants, other than to ASBA Applicants, in accordance with the provisions of the SEBI Debt Regulations and/or the Companies Act, 2013, or other applicable statutory and/or regulatory requirements, subject to deduction of income tax under the provisions of the Income Tax Act, 1961, as amended, as applicable.

Provided that, notwithstanding anything contained hereinabove, our Company shall not be liable to pay any interest on monies liable to be refunded in case of (a) invalid applications or applications liable to be rejected, (b) applications which are withdrawn by the Applicant and/or (c) monies paid in excess of the amount of NCDs applied for in the Application Form. Please refer to “*Issue procedure - Rejection of Application*” at page 71.

Maturity and Redemption

The NCDs pursuant to this Prospectus have a fixed maturity date. The date of maturity of the NCDs is as follows:

| Series of NCDs | At the end of maturity period |
|----------------|--|
| I | 3 years from the Deemed Date of Allotment |
| II | 5 years from the Deemed Date of Allotment |
| III | 10 years from the Deemed Date of Allotment |
| IV | 15 years from the Deemed Date of Allotment (subject to our Company exercising call option) |

Put/ Call Option in relation to Secured NCD Holders

There is no put or call option available to any Secured NCD Holders.

Put/ Call Option in relation to Un-Secured NCD Holders

There is no put option available to any Un-secured NCD Holders.

Our Company may exercise a call option, subject to:

- i. Un-Secured NCDs having run for at least ten years from the Deemed Date of Allotment;
- ii. our Company having received prior approval of NHB;
- iii. our Company having sent a notice to all the Eligible Un-Secured NCD Holders i.e. Un-Secured NCD Holders holding Un-Secured NCDs as on the Record Date (defined below), on a date after the Record Date and at least twenty-one days before the date on which the call option is exercised; and
- iv. a copy of aforementioned notice has been sent to the Stock Exchanges for wider dissemination and our Company has made an advertisement in the national daily having wide circulation indicating the details of the call option being exercised, including the record date;

Record date for the purpose of exercise of the call option is the tenth anniversary of the deemed date of allotment, or such other date as may be intimated to the Stock Exchanges by the Company (subject to receipt of regulatory approvals), atleast one day prior to such date. There shall be no trading in Un-Secured NCDs from the Record date till the date of exercise of call option

In the event regulatory approvals necessary for the purpose of exercising the call option have not met one day prior to the tenth anniversary of the deemed date of allotment, our Company undertakes to intimate the stock exchanges, about the change in the Record Date.

Illustrative example:

In the event the deemed date of allotment is January 1, 2017 and the approval of NHB for exercising the call

option has been received prior to January 1, 2027, the Record Date for the purpose of identification of eligible Un-Secured NCD Holders would be January 1, 2027. Our Company shall intimate the stock exchanges atleast a day prior to the Record Date the details of the Record Date fixed for identification of eligible Un-Secured NCD Holders. Once the Eligible Un-Secured NCD Holders have been identified, our Company shall issue a notice of not less than 21 days intimating them of the date of exercise of call option.

Further, in the event the deemed date of allotment is after January 1, 2017 and the approval of NHB for exercising the call option has not been received atleast one day prior to the 10th anniversary of such date i.e. January 1, 2027, our company shall inform the Stock Exchanges about the same, atleast one day prior to such date. Subsequently, upon receipt of the necessary approvals, our Company shall inform the Stock Exchanges of such revised Record Date, atleast one day prior to the revised Record Date. Once the Eligible Un-Secured NCD Holders have been identified, our Company shall issue a notice of not less than 21 days intimating them of the date of exercise of call option.

Our Company undertakes to pay the redemption proceeds to the investors along with the interest due to the investors within fifteen days from date of exercise of such call option, subject to compliance with requirements of NHB circular (NHB(ND)/ DRS/Pol- No-23/2008) dated April 24, 2008 issued by the NHB with respect to terms and conditions applicable to debt capital instruments to qualify for inclusion as Upper Tier II Capital, applicable to all registered HFCs. In case there is a delay in payment of redemption proceeds as mentioned above our Company shall be liable to pay interest at the rate of 15% per annum for the period of delay, if any.

Step up/ Step down interest rates

No Step up/ Step down option available for Secured NCDs. In case of Un-Secured NCDs, a step-up of 25 bps above coupon after 10 years from Deemed Date of Allotment payable on every subsequent coupon payment date, if call option is not exercised as above within 60 days from 10 years from Deemed Date of Allotment.

Application Size

Each application should be for a minimum of Ten (10) NCDs and multiples of One (1) NCD thereafter. The minimum application size for each application for NCDs would be ₹10,000 (across all Options of NCDs) and in multiples of ₹1,000 thereafter.

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.

Terms of Payment

The entire issue price of ₹ 1,000 per NCD is payable on application itself. In case of allotment of lesser number of NCDs than the number of NCDs applied for, our Company shall refund the excess amount paid on application to the Applicant in accordance with the terms of this Tranche 1 Prospectus. For further details, please refer to the paragraph on “- *Interest on Application Amount*” on page 42.

Manner of Payment of Interest / Refund

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

For NCDs held in physical form:

The bank details will be obtained from the Application Form or from the copy of the cancelled cheque or such other documentary proof as may have been annexed to the Application Form by the Applicant for payment of interest / refund / redemption as the case may be. In case of NCDs held in physical form on account of re-materialization and/or subsequent transfer post-allotment, the bank details will be obtained from the documents submitted to our Company along with the re-materialisation request. Please refer to “*Procedure for Re-materialization of NCDs*” on page 39 for further details.

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 neither the Lead Managers, 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. **NECS:** Payment of interest / refund / redemption shall be undertaken through NECS for Applicants having an account at the centers mentioned in NECS MICR list.

This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code, IFSC, bank account number, bank name and branch name as appearing on a cheque leaf, from the Depositories. One of the methods for payment of interest / refund / redemption is through NECS for Applicants having a bank account at any of the abovementioned centers.

3. **RTGS:** Applicants having a bank account with a participating bank and whose interest payment / refund / redemption amount exceeds ₹ 2 lakhs, 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 in the Application Form or intimate our Company and the Registrars to the Issue at least 7 (seven) days before 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 NECS subject to availability of complete bank account details for the same as stated above.
4. **NEFT:** Payment of interest / refund / redemption shall be undertaken through NEFT wherever the Applicants' bank has 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. IFSC 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 de-mat account, the same will be duly mapped with the IFSC 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 only to Applicants that have provided details of a registered address in India. Refunds may be made by cheques, pay orders, or demand drafts drawn on the relevant Refund Bank and payable at par at places where Applications are received. All cheques, pay orders, or demand drafts as the case may be, shall be sent by registered/speed post at the Investor's sole risk. Bank charges, if any, for cashing such cheques, pay orders, or demand drafts at other centres will be payable by the Applicant.

Refunds for Applicants other than ASBA Applicants

Within 12 Working Days of the Tranche 1 Issue Closing Date, the Registrar to the Issue will dispatch refund orders/issue instructions for electronic refund, as applicable, of all amounts payable to unsuccessful Applicants (other than ASBA Applicants) and also any excess amount paid on Application, after adjusting for allocation/Allotment of NCDs. In case of Applicants who have applied for Allotment of NCDs in dematerialized form, the Registrar to the Issue will obtain from the Depositories the Applicant's bank account details, including the MICR code, on the basis of the DP ID and Client ID provided by the Applicant in their Application Forms, for making refunds. In case of Applicants who have applied for Allotment of NCDs in physical form, the bank details will be extracted from the Application Form or the copy of the cancelled cheque. For Applicants who

receive refunds through ECS, direct credit, RTGS or NEFT, the refund instructions will be issued to the clearing system within 12 Working Days of the Tranche 1 Issue Closing Date. A suitable communication will be dispatched to the Applicants receiving refunds through these modes, giving details of the amount and expected date of electronic credit of refund. Such communication will be mailed to the addresses (in India) of Applicants, as per Demographic Details received from the Depositories or the address details provided in the Application Form, in case of Applicants who have applied for Allotment of NCDs in physical form. The Demographic Details or the address details provided in the Application Form would be used for mailing of the physical refund orders, as applicable. Investors who have applied for NCDs in electronic form, are advised to immediately update their bank account details as appearing on the records of their Depository Participant. Failure to do so could result in delays in credit of refund to the investors at their sole risk and neither the Lead Managers nor our Company shall have any responsibility and undertake any liability for such delays on part of the investors.

Printing of Bank Particulars on Interest 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.

Buy Back of Secured NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of Secured NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the Secured NCD Holders to offer the Secured 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 Secured 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.

Buy Back of Un-secured NCDs

Our Company may, at its sole discretion, from time to time, consider, subject to applicable statutory and/or regulatory requirements, buyback of Un-Secured NCDs, upon such terms and conditions as may be decided by our Company.

Our Company may from time to time invite the Un-Secured NCD Holders to offer the Un-Secured 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 Un-Secured 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 Un-Secured NCDs in the market, subject to applicable statutory and/or regulatory requirements.

Procedure for Redemption by NCD Holders

The procedure for redemption is set out below:

Secured NCDs held in physical form

No action would ordinarily be required on the part of the Secured NCD Holder at the time of redemption and the redemption proceeds would be paid to those Secured NCD Holders whose names stand in the register of Secured NCD Holders maintained by us on the Record Date fixed for the purpose of Redemption. However, our Company may require that the Secured NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificate(s)) be surrendered for redemption on maturity and should be sent by the Secured NCD Holder(s) by Registered Post with acknowledgment due or by hand delivery to our office or to such

persons at such addresses as may be notified by us from time to time. Secured NCD Holder(s) may be requested to surrender the NCD certificate(s) in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

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

Secured NCDs held in electronic form

No action is required on the part of Secured NCD Holder(s) at the time of redemption of Secured NCDs held in demat form.

Un-secured NCDs held in physical form

No action would ordinarily be required on the part of the Un-Secured NCD Holder at the time of redemption and the redemption proceeds would be paid to those Un-Secured NCD Holders whose names stand in the register of Un-Secured NCD 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 certificate(s)) be surrendered for redemption on maturity and should be sent by the Un-Secured NCD Holder(s) 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. Un-Secured NCD Holder(s) may be requested to surrender the NCD certificate(s) 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 Un-Secured NCDs without the requirement of surrendering of the NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of Un-Secured NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those Un-Secured NCD Holders whose names stand in the register of NCD Holders maintained by us on the Record Date fixed for the purpose of redemption of Un-Secured NCDs. In such case, the NCD certificates would be deemed to have been cancelled. Also please refer to the para “*Payment on Redemption*” given below.

Un-secured NCDs held in electronic form

No action is required on the part of Un-Secured NCD Holder(s) at the time of redemption of Un-Secured NCDs held in demat form.

Payment on Redemption

The manner of payment of redemption is set out below:

NCDs held in physical form

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 certificate(s), duly discharged by the sole holder / all the joint-holders (signed on the reverse of the NCD certificate(s)). Dispatch of cheques/pay order, 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 NCD Holders maintained by us/Registrar to the Issue 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 7 (seven) days prior to the Record Date. In case the transfer documents are not lodged with us at least 7 (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 Registrars.

Our liability to holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s).

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

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 Holder(s) towards his/their rights including for payment or otherwise shall stand extinguished from the date of redemption in all events and when we dispatch the redemption amounts to the NCD Holder(s). Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the NCD(s).

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 NCD(s), 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 reissue 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 reissuing 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 subsidiaries, if any and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required and neither we or our affiliates nor their agents shall be liable for use of the aforesaid information.

Notices

All notices to the NCD Holder(s) required to be given by us or the Debenture Trustee shall be published in one English language newspaper having wide circulation and one regional language daily newspaper 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 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.

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 of the Tranche 1 Issue

Our Company, in consultation with the Lead Managers reserves the right to close this Tranche 1 Issue at any time prior to the Tranche 1 Issue Closing Date, subject to receipt of minimum subscription or as may be specified in this Tranche 1 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 this Tranche 1 Issue, our Company shall ensure that public notice of such early closure is published on or before such early date of closure or the Tranche 1 Issue Closing Date, as applicable, through advertisement(s) in all those newspapers in which pre-issue statutory advertisement and advertisement for opening or closure of the issue have been given.

Minimum Subscription

In terms of the SEBI circular dated June 17, 2014, 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, within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within 12 Days from the date of closure of the Issue. In the event, there is a delay, by the Issuer in making the aforesaid refund, our Company will pay interest at the rate of 15% per annum for the delayed period.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount is not received within the specified period, the application money received is to be credited only to the bank account from which the subscription was remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circular (bearing CIR/IMD/DF-1/20/2012) dated July 27, 2012.

Utilisation of Application Amount

The sum received in respect of this Tranche 1 Issue will be kept in separate bank accounts until the documents for creation of security are executed and 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 other than the bank account referred to in sub-section (3) of section 40 of the Companies Act, 2013.
2. Details of all monies utilised out of this Tranche 1 Issue referred to in sub-item (1) 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 (1) 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 Tranche 1 Issue proceeds only upon execution of the documents for creation of security as stated in the Shelf Prospectus and this Tranche 1 Prospectus, on receipt of the minimum subscription and receipt of listing and trading approval from the Stock Exchanges.
5. The Tranche 1 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.

Security and asset cover

The principal amount of the Secured NCDs proposed to be issued in terms of the Tranche 1 Prospectus together with all interest due on the NCDs in respect thereof shall be secured by way of first ranking *pari passu* charge in favour of the Debenture Trustee on specific present and future receivables/assets of our Company and our Promoter as may be decided mutually by our Company and the Debenture Trustee in the Secured Debenture Trust Deed. Our Company will create and maintain appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover for the NCDs (along with the interest due thereon), which shall be free from any encumbrances.

The Issuer reserves the right to sell or otherwise deal with the assets, including receivables, both present and future, including to create a charge on *pari passu* basis thereon for its present and future financial requirements, with prior permission of Debenture Trustee in this connection as provided for in the Secured Debenture Trust Deed (except where a minimum security cover of 1 (one) time on the principal amount and interest due thereon, is maintained).

No security will be created for Un-Secured NCD in the nature of subordinated Debt.

Filing of the Shelf Prospectus and Tranche Prospectus with the RoC

A copy of the Shelf Prospectus and this Tranche 1 Prospectus will be filed with the RoC, in accordance with Section 26 and Section 31 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 Tranche 1 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 this Tranche 1 Prospectus with RoC and the date of release of this statutory advertisement will be included in the statutory advertisement.

Listing

The NCDs offered through this Tranche 1 Prospectus are proposed to be listed on the Stock Exchanges. Our Company has obtained an 'in-principle' approval for the Issue from the BSE *vide* their letter no. DCS/BM/PI-BOND/4/16-17 dated November 22, 2016 and NSE *vide* their letter no. NSE/LIST/ 94728 dated November 23, 2016. For the purposes of the Tranche 1 Issue, BSE is the Designated Stock Exchange.

Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchanges are taken within 12 Working Days of the Tranche 1 Issue Closing Date.

ISSUE PROCEDURE

This chapter applies to all Applicants. ASBA Applicants should note that the ASBA process involves application procedures which may be different from the procedures applicable to Applicants who apply for NCDs through any of the other channels, and accordingly should carefully read the provisions applicable to ASBA Applications hereunder. Please note that all Applicants are required to make payment of the full Application Amount along with the Application Form. In case of ASBA Applicants, an amount equivalent to the full Application Amount will be blocked by the Designated Branches of the SCSBs.

ASBA Applicants should note that they may submit their ASBA Applications to the Members of Consortium, or Trading Members of the Stock Exchanges only in the Specified Cities or directly to the Designated Branches of the SCSBs. Applicants other than ASBA Applicants are required to submit their Applications to the Lead Manager, or Trading Members of the Stock Exchanges at the centres mentioned in the Application Form. For further information, please refer to “- Submission of Completed Application Forms” on page 69.

Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of NCDs that can be held by them under applicable law or as specified in this Tranche 1 Prospectus.

Please note that this chapter has been prepared based on the Circular No. CIR./IMD/DF-1/20/2012 dated July 27, 2012 issued by SEBI. The following Issue procedure is subject to the functioning and operations of the necessary systems and infrastructure put in place by the Stock Exchanges for implementation of the provisions of the abovementioned circular, including the systems and infrastructure required in relation to Direct Online Applications through the online platform and online payment facility to be offered by the Stock Exchanges and is also subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI. Please note that the Applicants will not have the option to apply for NCDs under this Tranche 1 Issue, through the direct online applications mechanism of the Stock Exchange. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges and the Stock Exchanges have confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Tranche 1 Issue.

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 2012 SEBI Circular 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 TRANCHE 1 ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGES WILL NEED TO APPROACH THE RESPECTIVE STOCK EXCHANGE AND FOLLOW THE REQUISITE PROCEDURES AS MAY BE PRESCRIBED BY THE RELEVANT STOCK EXCHANGE.

THE LEAD MANAGERS, THE CONSORTIUM MEMBERS AND THE COMPANY SHALL NOT BE RESPONSIBLE OR LIABLE FOR ANY ERRORS OR OMISSIONS ON THE PART OF THE TRADING MEMBERS IN CONNECTION WITH THE RESPONSIBILITIES OF SUCH TRADING MEMBERS INCLUDING BUT NOT LIMITED TO COLLECTION AND UPLOAD OF APPLICATIONS IN THIS TRANCHE 1 ISSUE ON THE ELECTRONIC APPLICATION PLATFORM PROVIDED BY THE STOCK EXCHANGE. FURTHER, THE RELEVANT STOCK EXCHANGE SHALL BE RESPONSIBLE FOR ADDRESSING INVESTOR GREIVANCES 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 Sundays or a holiday of commercial banks in Mumbai, except with reference to the Tranche 1 Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from the Tranche 1 Issue Closure to listing of the securities, Working Days shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai or a public holiday in India.

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 Tranche 1 Prospectus.

PROCEDURE FOR APPLICATION

Availability of the Abridged Prospectus and Application Forms

Please note that there is a single Application Form for ASBA Applicants as well as Non-ASBA Applicants who are Persons Resident in India.

Physical copies of the abridged Shelf Prospectus containing the salient features of the Shelf Prospectus, the Tranche 1 Prospectus together with Application Forms may be obtained from:

1. Our Company's Registered Office and Corporate Office;
2. Offices of the Lead Managers/ Consortium Members;
3. Trading Members; and
4. Designated Branches of 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 ASBA Applications electronically. A unique application number ("UAN") will be generated for every Application Form downloaded from the websites of the Stock Exchange. 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 Exchange. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.

On a request being made by any Applicant before the Tranche 1 Issue Closing Date, physical copies of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche 1 Prospectus and Application Form can be obtained from our Company's Registered and Corporate Office, as well as offices of the Members of Consortium. Electronic copies of the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche 1 Prospectus will be available on the websites of the Lead Managers, the Stock Exchange, SEBI and the SCSBs.

Who can apply?

The following categories of persons are eligible to apply in this Tranche 1 Issue:

| Category I Institutional Investors | Category II Non Institutional Investors | Category III High Net-worth Individual, ("HNIs"), Investors | Category IV Retail Individual Investors |
|--|--|---|--|
| <ul style="list-style-type: none"> • Public financial institutions, scheduled commercial banks, Indian multilateral and bilateral development financial institution which are authorised to invest in the NCDs; • Provident funds, pension funds with a minimum corpus of ₹ 2500.00 lakhs, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; • Venture Capital Funds/ Alternative Investment Fund registered with SEBI; • Insurance Companies | <ul style="list-style-type: none"> • Companies within the meaning of section 2(20) of the Companies Act, 2013; co-operative banks, and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Statutory Bodies/Corporations, • 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 | Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 10 lakhs across all series of NCDs in this Tranche 1 Issue | Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹ 10 lakhs across all series of NCDs in this Tranche 1 Issue |

| Category I Institutional Investors | Category II Non Institutional Investors | Category III High Net-worth Individual, (“HNIs”), Investors | Category IV Retail Individual Investors |
|--|--|--|--|
| registered with IRDAI; <ul style="list-style-type: none"> • 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; • National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and • Mutual Funds. | invest in the NCDs; <ul style="list-style-type: none"> • 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 | | |

Please note that it is clarified that Persons Resident outside India shall not be entitled to participate in the Tranche 1 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 Tranche 1 Issue.

The Members of Consortium and their respective associates and affiliates are permitted to subscribe in the Tranche 1 Issue.

Who are not eligible to apply for NCDs?

The following categories of persons, and entities, shall not be eligible to participate in the Tranche 1 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 Tranche 1 Issue.

No offer to the public (as defined under Directive 20003/71/EC, together with any amendments and implementing measures thereto, the “**Prospectus Directive**”) has been or will be made in respect of the Tranche 1 Issue or otherwise in respect of the NCDs, in any Member State of the European Economic Area which has implemented the Prospectus Directive (a “**Relevant Member State**”) except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Tranche 1 Issue or otherwise in respect of the NCDs.

Please refer to “*Rejection of Applications*” on page 71 for information on rejection of Applications.

Modes of Making Applications

Applicants may use any of the following facilities for making Applications:

1. ASBA Applications through the Members of Consortium, or the Trading Members of the Stock Exchanges only in the Specified Cities (namely, Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat) (“**Syndicate ASBA**”). For further details, please refer to “*Submission of ASBA Applications*” on page 58;
2. ASBA Applications through the Designated Branches of the SCSBs. For further details, please refer to “*Submission of ASBA Applications*” on page 58;
3. Non-ASBA Applications through the Members of Consortium or the Trading Members of the Stock Exchanges at the centres mentioned in Application Form. For further details, please refer to “*Submission of Non-ASBA Applications (other than Direct Online Applications)*” on page 59.
4. Non-ASBA Applications for Allotment in physical form through the Members of Consortium, Consortium Members, sub-brokers or the Trading Members of the Stock Exchanges at the centres mentioned in Application Form. For further details, please refer to “- *Submission of Non-ASBA Applications for Allotment of the NCDs in Physical Form*” on page 57.

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 and is subject to confirmation from Stock Exchange.

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 SEBI/HO/IMD/DF2/CIR/P/2016/68 dated August 10, 2016 (“**SEBI Circular 2016**”), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 25.0% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector towards HFCs is 10.0% of net assets value and single issuer limit is 10.0% of net assets value (extendable to 12% of net assets value, after trustee approval). Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 25% of the net assets of the scheme.

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 Tranche 1 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 Insurance Companies

In case of Applications made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI 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 Tranche 1 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 Tranche 1 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, 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.**

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 Managers may deem fit.**

Brokers having online demat account portals may also provide a facility of submitting the Application Forms (ASBA as well as non-ASBA Applications) 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 PHYSICAL AND DEMATERIALIZED FORM

Application for allotment in the physical form

Submission of Non- ASBA Applications for Allotment of the NCDs in physical form

Applicants can also apply for Allotment of the NCDs in physical form by submitting duly filled in Application Forms to the Members of Consortium, Consortium Members, sub-brokers or the Trading Members of the Stock Exchange, with the accompanying account payee cheques or demand drafts representing the full Application Amount and KYC documents as specified under “***Applications for Allotment of NCDs in the physical and dematerialized form***” and “***- Additional instructions for Applicants seeking Allotment of NCDs in physical form***” on page 57 and page 65, respectively. The Lead Managers, Consortium Members, sub-brokers and the Trading Members of the Stock Exchanges shall, on submission of the Application Forms to them, verify and check the KYC documents submitted by such Applicants and upload details of the Application on the online platforms of Stock Exchange, following which they shall acknowledge the uploading of the Application Form by stamping the acknowledgment slip with the date and time and returning it to the Applicant.

On uploading of the Application details, the Lead Managers, Consortium Members, sub-brokers and Trading Members of the Stock Exchanges will submit the Application Forms, with the cheque/demand draft to the Escrow Collection Bank(s) along with the KYC documents, which will realise the cheque/demand draft, and send the Application Form and the KYC documents to the Registrar to the Issue, who shall check the KYC documents submitted and match Application details as received from the online platforms of Stock Exchanges with the Application Amount details received from the Escrow Collection Bank(s) for reconciliation of funds received from the Escrow Collection Bank(s). In case of discrepancies between the two databases, the details received from the online platforms of Stock Exchanges will prevail, except in relation to discrepancies between Application Amounts. Lead Managers, Consortium Members and the Trading Members of the Stock Exchanges are requested to note that all Applicants are required to be banked with only the designated branches of Escrow Collection Bank(s). On Allotment, the Registrar to the Issue will dispatch NCD certificates/Allotment Advice to the successful Applicants to their addresses as provided in the Application Form. **If the KYC documents of an Applicant are not in order, the Registrar to the Issue will withhold the dispatch of NCD certificates pending receipt of complete KYC documents from such Applicant. In such circumstances, successful Applicants should provide complete KYC documents to the Registrar to the Issue at the earliest. In such an event, any delay by the Applicant to provide complete KYC documents to the Registrar to the Issue will be at the Applicant’s sole risk and neither our Company, the Registrar to the Issue, the Escrow Collection Bank(s), nor the Lead Managers and/or the Consortium**

Members will be liable to compensate the Applicants for any losses caused to them due to any such delay, or liable to pay any interest on the Application Amounts for such period during which the NCD certificates are withheld by the Registrar to the Issue. Further, our Company will not be liable for any delays in payment of interest on the NCDs Allotted to such Applicants, and will not be liable to compensate such Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay in payment of interest on the NCDs.

For instructions pertaining to completing Application Form please refer to “- *General Instructions*” and “*Additional Instructions for Applicants seeking allotment of NCDs in physical form*” on pages 60 and 65, respectively.

Applications for allotment in the dematerialized form

Submission of ASBA Applications

Applicants can also apply for NCDs using the ASBA facility. ASBA 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 <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

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 <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). 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.

ASBA 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 Tranche 1 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 Tranche 1 Prospectus is made available on their websites.
2. The Designated Branches of the SCSBs shall accept ASBA Applications directly from ASBA Applicants only during the Tranche 1 Issue Period. The SCSB shall not accept any ASBA Applications directly from ASBA Applicants after the closing time of acceptance of Applications on the Tranche 1 Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of the SCSBs at Specified Cities can accept ASBA 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 Tranche 1 Issue Closing Date. For further information on the Issue programme, please refer to “**General Information – Issue Programme**” on page 17.
3. In case of Applications through Syndicate ASBA, the physical Application Form shall bear the stamp of the Members of Consortium or Trading Members of the Stock Exchange, as the case maybe, if not, the same shall be rejected. **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 Non-ASBA Applications (Other than Direct Online Applications)

Applicants must use the specified Application Form, which will be serially numbered, bearing the stamp of the relevant Lead Manager or Trading Member of the Stock Exchange, as the case maybe, from whom such Application Form is obtained. Such Application Form must be submitted to the relevant Lead Manager, Consortium Members or Trading Member of the Stock Exchange, as the case maybe, at the centers mentioned in the Application Form along with the cheque or bank draft for the Application Amount, before the closure of the Tranche 1 Issue Period. **Applicants must use only CTS compliant instruments and refrain from using NON-CTS 2010 instruments for the payment of the Application Amount.** The Stock Exchanges may also provide Application Forms for being downloaded and filled. Accordingly, the investors may download Application Forms and submit the completed Application Forms together with cheques/ demand drafts to the Lead Manager, Consortium Members or Trading Member of the Stock Exchanges at the centers mentioned in the Application Form. On submission of the complete Application Form, the relevant Lead Manager, Consortium Members or Trading Member of the Stock Exchange, as the case maybe, will upload the Application Form on the electronic system provided by the Stock Exchange, and once an Application Form has been uploaded, issue an acknowledgement of such upload by stamping the acknowledgement slip attached to the Application Form with the relevant date and time and return the same to the Applicant. Thereafter, the Application Form together with the cheque or bank draft shall be forwarded to the Escrow Collection Banks for realization and further processing.

The duly stamped acknowledgment slip will serve as a duplicate Application Form for the records of the Applicant. The Applicant must preserve the acknowledgment slip and provide the same in connection with:

1. any cancellation/ withdrawal of their Application;
2. queries in connection with allotment and/ or refund(s) of NCDs; and/or
3. all investor grievances/ complaints in connection with the Tranche 1 Issue.

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 and is subject to confirmation from Stock Exchange.

In the event the Direct Online Application facility is implemented by the Stock Exchange, 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 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 Tranche 1 Issue.

As per Circular No. CIR./IMD/DF-1/20/2012 dated July 27, 2012 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 Tranche 1 Prospectus, the abridged 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 NCDs 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 ten (10) NCDs and in multiples of one (1) NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of ten (10) NCDs, an Applicant may choose to apply for ten (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 acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of

acknowledgement from the relevant 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.
- All Applicants are required to tick the relevant box of the “Mode of Application” in the Application Form choosing either ASBA or Non-ASBA mechanism.
- ASBA Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account before submitting the Application Form to the Designated Branch and also ensure that the signature in the Application Form matches with the signature in Applicant’s bank records, otherwise the Application is liable to be rejected
- KYC Documents to be submitted by Applicants who do not have a Demat account and are applying for NCDs in the Physical Form

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, Escrow Collection Banks 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 I NCDs 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

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 and Client 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, NECS, 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, Escrow Collection Bank(s), 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, Escrow Collection Banks, 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 Tranche 1 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 Tranche 1 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 Tranche 1 Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the three parameters, namely, DP ID, Client ID and PAN, then such Application are liable to be rejected.

C. Permanent Account Number (PAN)

The Applicant should mention his or her 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 and in multiples such number of NCDs thereafter as specified in the relevant Tranche 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 deem such individual Applicant to be a HNI Applicant, irrespective of the nature of the NCDs (i.e. Secured or Unsecured). All such Applications shall be grouped in the HNI Portion, for the purpose of determining the basis of allotment to such Applicant in the respective nature of NCDs applied for. 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. However, such Applications shall be considered for allotment in the respective nature of NCDs applied for. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Do's and Don'ts

Applicants are advised to take note of the following while filling and submitting the Application Form:

Do's

1. Check if you are eligible to apply as per the terms of the the Shelf Prospectus, this Tranche 1 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 Tranche 1 Issue.
4. 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 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, for Applications other than ASBA Applications.
6. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
7. 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 Tranche 1 Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes.
8. 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.
9. Ensure that the DP ID, the Client ID and the PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange, match with the DP ID, Client ID and PAN available in the Depository database;
10. 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;
11. 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 Tranche 1 Issue Closing Date. For further information on the Issue programme, please refer to "**General Information – Issue Programme**" on page 17.
12. Ensure that the Demographic Details including PAN are updated, true and correct in all respects;
13. 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 Tranche 1 Issue;
14. **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;
15. Ensure that if the depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the depository account and signature of only this person

- would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form;
16. Applicants (other than ASBA Applicants) are requested to write their names and Application serial number on the reverse of the instruments by which the payments are made;
 17. All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form;
 18. Tick the series of NCDs in the Application Form that you wish to apply for; and
 19. Submit KYC documents in case you are applying for physical allotment.

The Reserve Bank of India has issued standard operating procedure in terms of paragraph 2(a) of RBI circular number DPSS.CO.CHD.No./133/04.07.05/2013-14 dated July 16, 2013, detailing the procedure for processing CTS 2010 and non-CTS 2010 instruments in the three CTS grid locations.

SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011 stipulating the time between closure of the Issue and listing at 12 Working Days. In order to enable compliance with the above timelines, investors are advised to use CTS cheques or use ASBA facility to make payment. Investors using non-CTS cheques are cautioned that applications accompanied by such cheques are liable to be rejected due to any clearing delays beyond 6 Working Days from the date of the closure of the Tranche 1 Issue to avoid any delay in the timelines mentioned in the aforesaid SEBI Circular.

Don'ts:

1. Do not apply for lower than the minimum application size;
2. Do not pay the Application Amount in cash, 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 fill up the Application Form such that the NCDs applied for exceeds the Tranche 1 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;
5. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
6. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
7. Do not submit the Application Forms without the full Application Amount;
8. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
9. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
10. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;
11. Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
12. Do not apply if you are a person ineligible to apply for NCDs under the Tranche 1 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);
13. Applicants other than ASBA Applicants should not submit the Application Form directly to the Escrow Collection Banks/ Bankers to the Issue, and the same will be rejected in such cases; and
14. Do not make an application of the NCD on multiple copies taken of a single form.

Additional Instructions Specific to ASBA Applicants

Do's:

1. Before submitting the physical Application Form with the Member of the Syndicate at the Syndicate ASBA Application Locations ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;
2. Ensure that you tick the ASBA option in the Application Form and give the correct details of your ASBA Account including bank account number/ bank name and branch;
3. For ASBA Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Members of the Syndicate at the Syndicate ASBA Application Locations or the Trading Members and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to the Issuer, the Registrar;

4. For ASBA Applicants applying through the SCSBs, ensure that your Application Form is submitted at a Designated Branch of the SCSB where the ASBA Account is maintained, and not to the Escrow Collection Banks (assuming that such bank is not a SCSB), to the Issuer, the Registrar or the Members of the Syndicate or Trading Members;
5. Ensure that the Application Form is signed by the ASBA Account holder in case the ASBA Applicant is not the account holder;
6. Ensure that you have mentioned the correct ASBA Account number in the Application Form;
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, or to the Members of the Syndicate at the Syndicate ASBA Application Locations, or to the Trading Members, as the case may be;
8. Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form;
9. Ensure that you receive an acknowledgement from the Designated Branch or the concerned member of the Syndicate, or the Trading Member, as the case may be, for the submission of the Application Form; and
10. In terms of SEBI Circular no. CIR/CFD/DIL/1/2013 dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Don'ts:

1. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted under the ASBA process;
2. Do not submit the Application Form to the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, at a location other than the Specified Cities.
3. Do not send your physical Application Form by post. Instead submit the same to a Designated Branch or the Members of Consortium or Trading Members of the Stock Exchange, as the case may be, at the Specified Cities; and
4. Do not submit more than five Application Forms per ASBA Account.

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 <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

Please refer to “*Rejection of Applications*” on page 71 for information on rejection of Applications.

ADDITIONAL INSTRUCTIONS FOR APPLICANTS SEEKING ALLOTMENT OF NCDs IN PHYSICAL FORM

Only Applicants who do not have a demat account as on date of the Application shall be eligible to apply for Allotment of NCDs in the physical form. Any Applicant who subscribes to the NCDs in physical form shall undertake the following steps:

Complete the Application Form in all respects, by providing all the information including PAN and Demographic Details. However, do not provide DP details in the Application Form. The requirement for providing DP details shall be mandatory only for Applicants who wish to subscribe to the NCDs in dematerialised form.

Provide the following documents with the Application Form:

- (a) Self-attested copy of the PAN card (in case of a minor, the guardian shall also submit the self attested copy of his/her PAN card)

- (b) Proof of identification in case of Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by Applicants residing in the State of Sikkim. Any one of the following documents shall be considered as a verifiable proof of identification:
- i. valid passport issued by the GoI; or
 - ii. voter's identity card issued by the GoI; or
 - iii. valid driving license issued by any transport authority of the Republic of India; or
 - iv. Government ID card; or
 - v. Defence ID card; or
 - vi. ration card issued by the GoI
 - vii. Aadhar Card, Photo PAN Card
- (c) Self-attested copy of proof of residence:
- Any one of the following documents shall be considered as a verifiable proof of residence:
- i. ration card issued by the GoI; or
 - ii. valid driving license issued by any transport authority of the Republic of India; or
 - iii. electricity bill (not older than three months); or
 - iv. landline telephone bill (not older than three months); or
 - v. valid passport issued by the GoI; or
 - vi. voter's identity card issued by the GoI; or
 - vii. passbook or latest bank statement issued by a bank operating in India; or
 - viii. registered leave and license agreement or agreement for sale or rent agreement or flat maintenance bill.
 - ix. AADHAAR letter, issued by Unique Identification Authority of India, GoI.
- (d) Self-attested copy of a cancelled cheque of the bank account to which the amounts pertaining to payment of refunds, interest and redemption, as applicable, should be credited. In the absence of such cancelled cheque, our Company reserves the right to reject the Application or to consider the bank details given on the Application Form at its sole discretion. In such case our Company, the Members of Consortium and the Registrar to the Issue shall not be liable for any delays/errors in payment of refund and/or interest.

The Applicant shall be responsible for providing the above information accurately. Delays or failure in credit of the payments due to inaccurate details shall be at the sole risk of the Applicants and neither the Lead Managers, the Consortium Members nor our Company shall have any responsibility and undertake any liability for the same. Applications for Allotment of the NCDs in physical form, which are not accompanied with the above stated documents, may be rejected at the sole discretion of our Company.

In relation to the issuance of the NCDs in physical form, note the following:

1. An Applicant has the option to seek Allotment of NCDs in either dematerialised or physical mode. **However, an Applicant can seek Allotment of NCDs in physical mode only if the Applicant does not have a beneficiary account. No partial Application for the NCDs shall be permitted; any such partial Application is liable to be rejected.**
2. **Any Applicant who provides Depository Participant details in the Application Form shall be Allotted the NCDs in dematerialised form only, irrespective of whether such Applicant has provided the details required for Allotment in physical form. Such Applicant shall not be Allotted NCDs in physical form.**
3. In case of NCDs issued in physical form, our Company will issue one certificate to the holders of the NCDs for the aggregate amount of the NCDs for each of the series of NCDs that are applied for (each such certificate, a "**Consolidated NCD Certificate**"). A successful Applicant can also request for the issue of NCD certificates in the denomination of 1 (one) NCD at any time post allotment of the NCDs.
4. Our Company shall dispatch the Consolidated NCD Certificate to the (Indian) address of the Applicant provided in the Application Form, within the time and in the manner stipulated under Section 113 of the Companies Act, 2013 read with our Company's Articles of Association.

All terms and conditions disclosed in relation to the NCDs held in physical form pursuant to rematerialisation shall be applicable mutatis mutandis to the NCDs issued in physical form.

The Applicant shall be responsible for providing the above information and KYC documents accurately. Delay or failure in credit of payments or receipt of Allotment Advice or NCD certificates due to inaccurate

or incomplete details shall be at the sole risk of the Applicants only and the Lead Managers, the Consortium Members, our Company and the Registrar to the Issue shall have no responsibility and undertake no liability in this relation. In case of Applications for Allotment of NCDs in physical form, which are not accompanied with the aforesaid documents, Allotment of NCDs in physical form may be held in abeyance by the Registrar to the Issue, pending receipt of KYC documents.

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).

Payment mechanism for ASBA Applicants

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 <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>). 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 Tranche 1 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 12 (twelve) Working Days of the Tranche 1 Issue Closing Date. The Application Amount shall remain blocked in the ASBA Account until transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Tranche 1 Issue or until rejection of the ASBA Application, as the case may be.

Escrow Mechanism for Applicants other than ASBA Applicants

Our Company shall open an Escrow Account with each of the Escrow Collection Bank(s) in whose favour the Applicants (other than ASBA Applicants) shall draw the cheque or demand draft in respect of his or her Application. Cheques or demand drafts received for the full Application Amount from Applicants would be deposited in the Escrow Account(s). All cheques/ bank drafts accompanying the Application should be crossed "A/c Payee only" for eligible Applicants must be made payable to the account details as specified in this Tranche 1 Prospectus. **Applicants must use only CTS compliant instruments and refrain from using NON-CTS 2010 instruments for the payment of the Application Amount.**

The Escrow Collection Bank(s) shall transfer the funds from the Escrow Account into the Public Issue Account(s), as per the terms of the Escrow Agreement and this Tranche 1 Prospectus.

The Escrow Collection Banks will act in terms of the Shelf Prospectus, this Tranche 1 Prospectus and the Escrow Agreement. The Escrow Collection Banks, for and on behalf of the Applicants, shall maintain the monies in the Escrow Account until the Designated Date. The Escrow Collection Banks shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by Allotment of NCDs (other than in respect of Allotment to successful ASBA Applicants) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account(s) maintained with the Bankers to the Issue provided that our Company will have access to such funds only after receipt of minimum subscription and creation of security for the NCDs as described in this Tranche 1 Prospectus, receipt of final listing and trading approval from the Stock Exchanges and execution of the Debenture Trust Deeds.

The balance amount after transfer to the Public Issue Account(s) shall be transferred to the Refund Account. Payments of refund to the relevant Applicants shall also be made from the Refund Account as per the terms of the Escrow Agreement, the Shelf Prospectus and this Tranche 1 Prospectus.

The Applicants should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Lead Managers, the Escrow Collection Banks and the Registrar to the Issue to facilitate collections from the Applicants.

Each Applicant shall draw a cheque or demand draft mechanism for the entire Application Amount as per the following terms:

1. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form.
2. The Applicants shall, with the submission of the Application Form, draw a payment instrument for the Application Amount in favour of the Escrow Accounts and submit the same along with their Application. If the payment is not made favouring the Escrow Accounts along with the Application Form, the Application is liable to be rejected by the Escrow Collection Banks. Application Forms accompanied by cash, stockinvest, money order or postal order will not be accepted.
3. The payment instruments for payment into the Escrow Account should be in the name of '**RHFL NCD Escrow Account**'.
4. The monies deposited in the Escrow Accounts will be held for the benefit of the Applicants (other than ASBA Applicants) till the Designated Date.
5. On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Accounts as per the terms of the Escrow Agreement into the Public Issue Account(s) with the Bankers to the Issue and the refund amount shall be transferred to the Refund Account.
6. Payments should be made by cheque or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation cheques, post-dated cheques and cheques/ bank drafts drawn on banks not participating in the clearing process will not be accepted and Applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ stockinvest/ money orders/ postal orders will not be accepted. Please note that cheques without the nine-digit Magnetic Ink Character Recognition ("**MICR**") code are liable to be rejected.
7. Applicants are advised to provide the Application Form number on the reverse of the cheque or bank draft to avoid misuse of instruments submitted with the Application Form.
8. Applicants must use only CTS compliant instruments and refrain from using NON-CTS 2010 instruments for the payment of the Application Amount.

Payment by cash/ stockinvest/ money order

Payment through cash/ stockinvest/ money order shall not be accepted in the Tranche 1 Issue.

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 and the Stock Exchanges have confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Tranche 1 Issue.

SUBMISSION OF COMPLETED APPLICATION FORMS

| Mode of Submission of Application Forms | To whom the Application Form has to be submitted |
|---|---|
| ASBA Applications | <p>(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</p> <p>(ii) If using <u>electronic Application Form</u>, to the SCSBs, electronically through internet banking facility, if available.</p> |
| Non-ASBA Applications | Consortium Members or Trading Members of the Stock Exchanges at the centres mentioned in the Application Form. Note: Applications for Allotment in physical form can be made only by using non-ASBA Applications and Applicants are not permitted to make Applications for Allotment in physical form using ASBA Applications and 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 and the Stock Exchanges has confirmed that the necessary infrastructure and facilities for the same have not been implemented by the Stock Exchange. Hence, the Direct Online Application facility will not be available for this Tranche 1 Issue.

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 an acknowledgement slip which will serve as a duplicate Application Form for the records of the Applicant.

Syndicate ASBA Applicants must ensure that their ASBA Applications are submitted to the Members of Consortium or Trading Members of the Stock Exchanges only at the Specified Cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat). 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 <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

For information on the Issue programme and timings for submission of Application Forms, please refer to “**General Information – Issue Programme**” on page 17.

Applicants other than ASBA Applicants are advised not to submit the Application Form directly to the Escrow Collection Banks/ Bankers to the Issue, and the same will be rejected in such cases and the Applicants will not be entitled to any compensation whatsoever.

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. Direct Online Applications will be registered by Applicants using the online platform offered by 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, Escrow Collection Banks 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, 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 Tranche 1 Issue. This facility will be available on the terminals of Members of Consortium, Trading Members of the Stock Exchanges and the SCSBs during the Tranche 1 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 Tranche 1 Issue Closing Date. On the Tranche 1 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 Tranche 1 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 17.
- (c) At the time of registering each Application, other than ASBA Applications and Direct Online Applications, the Members of Consortium, or Trading Members of the Stock Exchanges 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 (not applicable to Applications for Allotment of NCDs in physical form)
 - Client ID (not applicable to Applications for Allotment of NCDs in physical form)
 - Series of NCDs applied for
 - Number of NCDs Applied for in each series of NCD
 - Price per NCD
 - Application amount
 - Cheque number
- (d) 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
- (e) 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
- (f) 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.**
- (g) Applications can be rejected on the technical grounds listed on page 71 or if all required information is not provided or the Application Form is incomplete in any respect.
- (h) The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Managers are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Tranche 1 Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.
- (i) 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 Braches 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 Braches of the SCSBs will be given up to one Working Day after the Tranche 1 Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche 1 Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

REJECTION OF APPLICATIONS

Applications would be liable to be rejected on the technical grounds listed below or if all required information is not provided or the Application Form is incomplete in any respect. The Board of Directors and/or any committee of our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof.

Application may be rejected on one or more technical grounds, including but not restricted to:

- i. Applications submitted without payment of the entire Application Amount. However, our Company may allot NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- ii. Applications not being signed by the sole/joint Applicant(s);
- iii. Investor Category in the Application Form not being ticked;
- iv. In case of Applications for Allotment in physical form, bank account details not provided in the Application Form;

- v. Application Amount paid being higher than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;
- vi. Applications where a registered address in India is not provided for the Applicant;
- vii. In case of partnership firms, NCDs may be applied for in the names of the individual partner(s) and no firm as such shall be entitled to apply for in its own name. However, a Limited Liability Partnership firm can apply in its own name;
- viii. 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;
- ix. Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- x. 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;
- xi. DP ID and Client ID not mentioned in the Application Form (except in case Applicant has applied for Allotment of NCDs in the physical form);
- xii. GIR number furnished instead of PAN;
- xiii. Applications by OCBs;
- xiv. Applications for an amount below the minimum application size;
- xv. Submission of more than five ASBA Forms per ASBA Account;
- xvi. Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
- xvii. In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- xviii. Applications accompanied by Stockinvest/ money order/ postal order/ cash;
- xix. 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);
- xx. Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
- xxi. Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.
- xxii. ASBA Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with the signature available on the Applicant's bank records;
- xxiii. Application Forms submitted to the Members of Consortium, or Trading Members of the Stock Exchanges does not bear the stamp of the relevant Lead Manager or Trading Member of the Stock Exchange, as the case may be. ASBA Applications submitted directly to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Members of Consortium, or Trading Members of the Stock Exchange, as the case may be;
- xxiv. ASBA Applications not having details of the ASBA Account to be blocked;
- xxv. In case no corresponding record is available with the Depositories that matches three parameters namely, DP ID, Client ID and PAN or if PAN is not available in the Depository database;
- xxvi. With respect to ASBA Applications, inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the ASBA Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- xxvii. With respect to ASBA Applications, the ASBA Account not having credit balance to meet the Application Amounts or no confirmation is received from the SCSB for blocking of funds;
- xxviii. SCSB making an ASBA 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;
- xxix. Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;
- xxx. Applications where clear funds are not available in Escrow Accounts as per final certificates from Escrow Collection Banks;
- xxxi. Authorization to the SCSB for blocking funds in the ASBA Account not provided;
- xxxii. Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;

- xxxiii. Applications by any person outside India;
- xxxiv. Applications by other persons who are not eligible to apply for NCDs under the Issue under applicable Indian or foreign statutory/regulatory requirements;
- xxxv. Applications not uploaded on the online platform of the Stock Exchange;
- xxxvi. Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchange, as applicable;
- xxxvii. Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Shelf Prospectus and as per the instructions in the Application Form, the Shelf Prospectus and this Tranche 1 Prospectus;
- xxxviii. Non- ASBA Applications accompanied by more than one payment instrument;
- xxxix. 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;
- xl. 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;
- xli. Applications for Allotment of NCDs in dematerialised form providing an inoperative demat account number;
- xlii. ASBA 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;
- xliii. ASBA Applications submitted directly to an Escrow Collecting Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- xliv. Applications tendered to the Trading Members of the Stock Exchanges at centers other than the centers mentioned in the Application Form;
- xlv. Investor Category not ticked; and/or
- xlvi. In case of Applicants applying for the NCDs in physical form, if the address of the Applicant is not provided in the Application Form;
- xlvii. Application Form accompanied with more than one cheque.
- xlviii. 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.
- xlix. Forms not uploaded on the electronic software of the Stock Exchange.
 - l. ASBA Application submitted directly to escrow banks who aren't SCSBs.
 - li. Payment made through non CTS cheques may be liable to be rejected due to any clearing delays to avoid any delay in the timelines in terms of SEBI Circular No. CIR/CFD/DIL/1/2011 dated April 29, 2011.

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 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 <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).

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 this page 73.

Information for Applicants

In case of ASBA Applications submitted to the SCSBs, in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs, and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected.

In case of ASBA Applicants submitted to the Members of Consortium, and Trading Members of the Stock Exchanges at the Specified Cities, the basis of allotment will be based on the Registrar's validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the

Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected.

In case of non-ASBA Applications, the basis of allotment will be based on the Registrar's validation of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the Escrow Collection Banks with the electronic details in terms of the SEBI circular CIR/CFD/DIL/3/2010 dated April 22, 2010 and the SEBI circular CIR/CFD/DIL/1/2011 dated April 29, 2011. The Registrar will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such Applications as rejected.

Based on the information provided by the Depositories, our Company shall have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship).

In case of Applications for a higher number of NCDs than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

BASIS OF ALLOTMENT

The Registrar will aggregate the applications based on the applications received through an electronic book from the stock exchanges and determine the valid applications for the purpose of drawing the basis of allocation.

Grouping of Applications and Allocation Ratio

For the purposes of the Basis of Allotment of Secured NCDs:

- A. *Applications received from Category I Applicants:* Applications received from Applicants belonging to Category I shall be grouped together ("**QIB Portion**");
- B. *Applications received from Category II Applicants:* Applications received from Applicants belonging to Category II, shall be grouped together ("**Corporate Portion**");
- C. *Applications received from Category III Applicants:* Applications received from Applicants belonging to Category III shall be grouped together ("**High Net Worth Individual Portion**"); and
- D. *Applications received from Category IV Applicants:* Applications received from Applicants belonging to Category IV shall be grouped together ("**Retail Individual Investor Portion**").

For the purposes of the Basis of Allotment of Unsecured NCDs:

- A. *Applications received from Category I Applicants:* Applications received from Applicants belonging to Category I shall be grouped together ("**QIB Portion**");
- B. *Applications received from Category II Applicants:* Applications received from Applicants belonging to Category II, shall be grouped together ("**Corporate Portion**");
- C. *Applications received from Category III Applicants:* Applications received from Applicants belonging to Category III shall be grouped together ("**High Net Worth Individual Portion**"); and
- D. *Applications received from Category IV Applicants:* Applications received from Applicants belonging to Category IV shall be grouped together ("**Retail Individual Investor Portion**").

For removal of doubt, the terms "**QIB Portion**", "**Corporate Portion**", "**High Net Worth Individual Portion**" and "**Retail Individual Investor Portion**" are individually referred to as a "**Portion**" and collectively referred to as "**Portions**".

For the purposes of determining the number of Secured NCDs and Un-Secured NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of

Secured NCDs and Un-Secured NCDs to be allotted over and above the Base Issue Size, in case our Company opts to retain any oversubscription in the Tranche 1 Issue upto the Shelf Limit i.e. aggregating upto ₹ 3,00,000 lakhs for Secured NCDs and upto ₹ 50,000 lakhs for Un-Secured NCDs. The aggregate value of Secured NCDs and Un-Secured NCDs decided to be allotted over and above the Base Issue Size, (in case our Company opts to retain any oversubscription in the Tranche 1 Issue), and/or the aggregate value of NCDs upto the Base Issue Size shall be collectively termed as the “**Overall Issue Size**”.

Basis of Allotment for Secured NCDs

Allocation Ratio:

| QIB Portion | Corporate Portion | High Net Worth Individual Portion | Retail Individual Investor Portion |
|-------------|-------------------|-----------------------------------|------------------------------------|
| 30% | 10% | 30% | 30% |

(a) Allotments in the first instance:

- i. Applicants belonging to the QIB Portion, in the first instance, will be allocated Secured NCDs upto 30% of Secured portion of the Overall Issue Size on first come first serve basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;
- ii. Applicants belonging to the Corporate Portion, in the first instance, will be allocated Secured NCDs upto 10% of Overall Issue Size on first come first serve basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;
- iii. Applicants belonging to the High Net worth Individual Portion, in the first instance, will be allocated Secured NCDs upto 30% of Overall Issue Size on first come first serve basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange
- iv. Applicants belonging to the Retail Individual Investor Portion, in the first instance, will be allocated Secured NCDs upto 30% of Overall Issue Size on first come first serve basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;

(b) Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchange, in each Portion subject to the Allocation Ratio. However, on the date of oversubscription, the allotments would be made to the applicants on proportionate basis.

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

(c) Under Subscription:

In case of under subscription, if any, in any Portion, priority in allotments will be given in the following order:

- i. Retail Individual Investor Portion
- ii. High Net worth Individual Portion
- iii. Corporate Portion
- iv. QIB Portion

Within each Portion, priority in Allotments will be given on a first-come-first-serve basis, based on the date of upload of each Application into the electronic system of the Stock Exchange.

- (d) For each Portion, all Applications uploaded in to the Electronic Book with Stock Exchanges would be treated at par with each other. Allotment would be on proportionate basis, where NCDs uploaded into the Platform of the Stock Exchanges on a particular date exceeds NCDs to be allotted for each Portion respectively.
- (e) Minimum allotment of 1 (one) Secured NCD and in multiples of 1 (one) Secured NCD thereafter would be made in case of each valid Application.
- (f) Allotments in case of oversubscription: In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of Secured NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of Secured NCDs to the Applicants on the date of oversubscription (based on the date of upload of each Application into the Electronic Book with Stock Exchange, in each Portion).
- (g) Proportionate Allotments: For each Portion, on the date of oversubscription:
- i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer,
 - ii) If the process of rounding off to the nearest integer results in the actual allocation of Secured NCDs being higher than the Tranche 1 Issue size, not all Applicants will be allotted the number of Secured NCDs arrived at after such rounding off. Rather, each Applicant whose allotment size, prior to rounding off, had the highest decimal point would be given preference,
 - iii) In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the Basis of Allotment is finalized by draw of lots in a fair and equitable manner.
- (h) Applicant applying for more than one Series of Secured NCDs: If an Applicant has applied for more than one Series of NCDs, and in case such Applicant is entitled to allocation of only a part of the aggregate number of Secured NCDs applied for, the Series-wise allocation of Secured NCDs to such Applicants shall be in proportion to the number of Secured NCDs with respect to each Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with Lead Managers and Designated Stock Exchange.

All decisions pertaining to the basis of allotment of Secured NCDs pursuant to the Tranche 1 Issue shall be taken by our Company in consultation with the Lead Managers and the Designated Stock Exchanges and in compliance with the aforementioned provisions of this Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

Please note in case KYC documents are not proper, Registrar shall hold back physical certificate allotted to the Applicant pending receipt of complete KYC documents from Applicant and the Company shall keep in abeyance the payment of interest or other benefits, till such time. The Company shall also not be liable to pay interest for delay in despatch of the certificate in case of delay caused due to non-receipt of proper KYC documents to the satisfaction of the Registrar.

Basis of Allotment for Un-Secured NCDs

Allocation Ratio:

| QIB Portion | Corporate Portion | High Net Worth Individual Portion | Retail Individual Investor Portion |
|--------------------|--------------------------|--|---|
| 30% | 10% | 30% | 30% |

- (a) Allotments in the first instance:
- i. Applicants belonging to the QIB Portion, in the first instance, will be allocated Un-Secured NCDs upto 30% of Overall Issue Size on first come first serve basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;

- ii. Applicants belonging to the Corporate Portion, in the first instance, will be allocated Un-Secured NCDs upto 10% of Overall Issue Size on first come first serve basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;
 - iii. Applicants belonging to the High Net worth Individual Portion, in the first instance, will be allocated Un-Secured NCDs upto 30% of Overall Issue Size on first come first serve basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange
 - iv. Applicants belonging to the Retail Individual Investor Portion, in the first instance, will be allocated Un-Secured NCDs upto 30% of Overall Issue Size on first come first serve basis which would be determined on the basis of upload of their Applications on daily basis in to the electronic book with Stock Exchange;
- (a) Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchange, in each Portion subject to the Allocation Ratio. However, on the date of oversubscription, the allotments would be made to the applicants on proportionate basis.

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

(b) Under Subscription:

In case of under subscription, if any, in any Portion, priority in allotments will be given in the following order:

- i. Retail Individual Investor Portion
- ii. High Net worth Individual Portion
- iii. Corporate Portion
- iv. QIB Portion

Within each Portion, priority in Allotments will be given on a first-come-first-serve basis, based on the date of upload of each Application into the electronic system of the Stock Exchange.

- (c) For each Portion, all Applications uploaded in to the Electronic Book with Stock Exchanges would be treated at par with each other. Allotment would be on proportionate basis, where Un-Secured NCDs uploaded into the Platform of the Stock Exchanges on a particular date exceeds Un-Secured NCDs to be allotted for each Portion respectively.
- (d) Minimum allotment of 1 (one) Un-Secured NCD and in multiples of 1 (one) Un-Secured NCD thereafter would be made in case of each valid Application.
- (e) Allotments in case of oversubscription: In case of an oversubscription, allotments to the maximum extent, as possible, will be made on a first-come first-serve basis and thereafter on proportionate basis, i.e. full allotment of Un-Secured NCDs to the Applicants on a first come first basis up to the date falling 1 (one) day prior to the date of oversubscription and proportionate allotment of Un-Secured NCDs to the Applicants on the date of oversubscription (based on the date of upload of each Application into the Electronic Book with Stock Exchange, in each Portion).
- (f) Proportionate Allotments: For each Portion, on the date of oversubscription:
 - i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer,

- ii) If the process of rounding off to the nearest integer results in the actual allocation of Un-Secured NCDs being higher than the Tranche 1 Issue size, not all Applicants will be allotted the number of Un-Secured NCDs arrived at after such rounding off. Rather, each Applicant whose allotment size, prior to rounding off, had the highest decimal point would be given preference,
- iii) In the event, there are more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of allotment is finalized by draw of lots in a fair and equitable manner.

All decisions pertaining to the basis of allotment of Un-Secured NCDs pursuant to the Tranche 1 Issue shall be taken by our Company in consultation with the Lead Managers and the Designated Stock Exchanges and in compliance with the aforementioned provisions of this Prospectus. Any other queries / issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers.

Please note in case KYC documents are not proper, Registrar shall hold back physical certificate allotted to the Applicant pending receipt of complete KYC documents from Applicant and the Company shall keep in abeyance the payment of interest or other benefits, till such time. The Company shall also not be liable to pay interest for delay in despatch of the certificate in case of delay caused due to non-receipt of proper KYC documents to the satisfaction of the Registrar.

Retention of oversubscription

Our Company shall have an option to retain over-subscription upto the Shelf Limit i.e. aggregating upto ₹ 3,00,000 lakhs for Secured NCDs and upto ₹ 50,000 lakhs for Un-Secured NCDs.

PAYMENT OF REFUNDS

Refunds for Applicants other than ASBA Applicants

Within 12 Working Days of the Tranche 1 Issue Closing Date, the Registrar to the Issue will dispatch refund orders/ give instructions for electronic refund, as applicable, of all amounts payable to unsuccessful Applicants (other than ASBA Applicants) and also any excess amount paid on Application, after adjusting for allocation/ Allotment of NCDs.

The Registrar to the Issue will obtain from the Depositories the Applicant's bank account details, including the MICR code, on the basis of the DP ID and Client ID provided by the Applicant in their Application Forms, for making refunds.

For Applicants who receive refunds through ECS, direct credit, RTGS or NEFT, the refund instructions will be given to the clearing system within 12 Working Days from the Tranche 1 Issue Closing Date. A suitable communication shall be dispatched to the Applicants receiving refunds through these modes, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund. Such communication will be mailed to the addresses of Applicants, as per the Demographic Details received from the Depositories.

The Demographic Details would be used for mailing of the physical refund orders, as applicable.

Mode of making refunds for Applicants other than ASBA Applicants

The payment of refund, if any, for Applicants other than ASBA Applicants would be done through any of the following modes:

1. Direct Credit – Applicants having bank accounts with the Refund Bank(s), as per Demographic Details received from the Depositories, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.
2. NECS – Payment of refund would be done through NECS for Applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code from the Depositories.

3. RTGS – Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds ₹ 2 lakhs, have the option to receive refund through RTGS provided the Demographic Details downloaded from the Depositories contain the nine digit MICR code of the Applicant's bank which can be mapped with the RBI data to obtain the corresponding Indian Financial System Code (IFSC). Charges, if any, levied by the Applicant's bank receiving the credit would be borne by the Applicant.
4. NEFT – Payment of refund shall be undertaken through NEFT wherever the Applicant's bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC 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 of that particular bank branch and the payment of refund will be made to the Applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage, hence use of NEFT is subject to operational feasibility, cost and process efficiency. In the event that NEFT is not operationally feasible, the payment of refunds would be made through any one of the other modes as discussed in the sections.
5. For all other Applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched through Speed Post or Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the relevant Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

Mode of making refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 12 Working Days of the Tranche 1 Issue Closing Date.

ISSUANCE OF ALLOTMENT ADVICE

With respect to Applicants other than ASBA Applicants, our Company shall (i) ensure dispatch of Allotment Advice/ intimation within 12 Working Days of the Tranche 1 Issue Closing Date, and (ii) give instructions for credit of NCDs to the beneficiary account with Depository Participants, for successful Applicants who have been allotted NCDs in dematerialized form, within 12 Working Days of the Tranche 1 Issue Closing Date. The Allotment Advice for successful Applicants who have been allotted NCDs in dematerialized form will be mailed to their addresses as per the Demographic Details received from the Depositories.

With respect to the ASBA Applicants, our Company shall ensure dispatch of Allotment Advice and/ or give instructions for credit of NCDs to the beneficiary account with Depository Participants within 12 Working Days of the Tranche 1 Issue Closing Date. The Allotment Advice for successful ASBA 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 12 Working Days from the Tranche 1 Issue Closing Date.

Allotment Advices shall be issued or Application Amount shall be refunded within fifteen days from the Tranche 1 Issue Closing Date or such lesser time as may be specified by SEBI or else the application amount shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent. per annum for the delayed period

Our Company will provide adequate funds required for dispatch of refund orders and Allotment Advice, as applicable, to the Registrar to the Issue.

OTHER INFORMATION

Withdrawal of Applications during the Issue Period

Withdrawal of ASBA Applications

ASBA Applicants can withdraw their ASBA Applications during the Tranche 1 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 ASBA Application had been placed. In case of ASBA 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 ASBA 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 ASBA Application Form from the electronic system of the Stock Exchange. In case of ASBA Applications submitted directly to the Designated Branch of the SCSB, upon receipt of the request for withdraw from the ASBA Applicant, the relevant Designated Branch shall do the requisite, including deletion of details of the withdrawn ASBA Application Form from the electronic system of the Stock Exchanges and unblocking of the funds in the ASBA Account directly.

Withdrawal of Non-ASBA Applications (other than Direct Online Applications)

Non-ASBA Applicants can withdraw their Applications during the Tranche 1 Issue Period by submitting a request for the same to Consortium Member, or Trading Member of the Stock Exchange, as the case may be, through whom the Application had been placed. 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 Non-ASBA Application Form from the electronic system of the Stock Exchange.

Withdrawal of Applications after the Issue Period

In case an Applicant wishes to withdraw the Application after the Tranche 1 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.

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 Tranche 1 Issue Period as long as the total order quantity does not fall under the minimum quantity required for a single Application. Please note that in case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application will be liable for rejection by the Registrar.

Applicants may revise/ modify their Application details during the Tranche 1 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 Tranche 1 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 Tranche 1 Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche 1 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 29, 2015 among our Company, the Registrar and CDSL and tripartite agreement dated March 25, 2009 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.
- x. It may be noted that NCDs in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges has connectivity with NSDL and CDSL.
- xi. 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.
- xii. 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 61.

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 this Tranche 1 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 Tranche 1 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 Company Secretary & Compliance Officer 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, interest on application amount or credit of NCDs in the respective beneficiary accounts, as the case may be.

Grievances relating to Direct Online Applications may be addressed to the Registrar to the Issue, with a copy to the relevant Stock Exchange.

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 Tranche 1 Issue of NCDs to public shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 40 of the Companies Act, 2013.
- (b) Details of all monies utilised out of the Tranche 1 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 Deeds.
- (f) We shall utilize the Issue proceeds only upon execution of the Debenture Trust Deeds as stated in this Tranche 1 Prospectus and 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.

Other Undertakings by our Company

Our Company undertakes that:

- 1. Complaints received in respect of the Tranche 1 Issue will be attended to by our Company expeditiously and satisfactorily;
- 2. 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;
- 3. Our Company will take necessary steps for the purpose of getting the NCDs listed within the specified time, i.e., within 12 Working Days of the Issue Closing Date;
- 4. Funds required for dispatch of refund orders/Allotment Advice/NCD Certificates will be made available by our Company to the Registrar to the Issue;
- 5. Our Company will forward details of utilisation of the proceeds of the Tranche 1 Issue, duly certified by the Statutory Auditor, to the Debenture Trustee on a half-yearly basis;
- 6. 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 the Shelf Prospectus and this Tranche 1 Prospectus.
- 7. Our Company will disclose the complete name and address of the Debenture Trustee in its annual report.
- 8. Our Company has not defaulted in the repayment of interest payable, redemption of debentures or preference shares or payment of dividend to any shareholder, or repayment of any term loan or interest payable thereon to any public financial institution or banking company, in the last three financial years preceding the date of the Draft Shelf Prospectus.
- 9. Our Company shall not grant advances against the security of the Upper Tier II instruments issued.

SECTION IV- 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 Tranche 1 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 Reliance Centre, 6th Floor, South Wing, Off Western Express Highway, Santacruz (East), Mumbai – 400 055, Maharashtra, India between 10 am to 5 pm on any Working Day (Monday to Friday) during which issue is open for public subscription under the respective Tranche Prospectus.

MATERIAL CONTRACTS

1. Issue Agreement dated November 10, 2016 between our Company and the Lead Managers.
2. Agreement dated November 10, 2016 between our Company and the Registrar to the Issue.
3. Debenture Trustee Agreement dated November 10, 2016 executed between our Company and the Debenture Trustee.
4. Tripartite agreement dated July 29, 2015 among our Company, the Registrar and CDSL.
5. Tripartite agreement dated March 25, 2009 among our Company, the Registrar and NSDL.
6. Escrow Agreement dated December 7, 2016 between our Company, the Registrar, the Escrow Collection Bank(s), and the Lead Managers.
7. Consortium Agreement dated December 15, 2016 between our Company, the Consortium Members and the Lead Managers.

MATERIAL DOCUMENTS

1. Memorandum and Articles of Association of our Company, as amended to date.
2. Certificate of Incorporation of our Company dated June 5, 2008, issued by RoC.
3. Certificate of Registration dated January 6, 2009 (revised on April 20, 2009 pursuant to change of name) bearing registration no. 07.0101.12 issued by the National Housing Bank.
4. Copy of shareholders' resolution approved *vide* their resolution approved at the AGM dated August 4, 2016, 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 November 10, 2016, approving the issue of NCDs.
6. Copy of the resolution passed by NCD Committee at its meeting held on November 15, 2016, approving the Draft Shelf Prospectus.
7. Copy of the resolution passed by the NCD Committee at its meeting held on December 15, 2016, approving the Shelf Prospectus and the Tranche 1 Prospectus.
8. Letter dated October 13, 2016 (*validated as on December 7, 2016*) by CARE assigning a rating of 'CARE AA+; Stable (Double A plus; Outlook: Stable)' for Secured NCDs in relation to this Issue.
9. Letter dated November 8, 2016 (*validated as on December 7, 2016*) by CARE assigning a rating of 'CARE AA; Stable (Double A; Outlook: Stable)' for Un-Secured NCDs in relation to this Issue.
10. Letter dated October 25, 2016 (*validated as on December 6, 2016*) by Brickwork assigning a rating of 'BWR AA+ (Pronounced as BWR Double A Plus) Outlook: Stable' for Secured NCDs in relation to this Issue.
11. Letter dated October 4, 2016 (*validated as on December 6, 2016*) by BWR AA (Pronounced as BWR Double A) Outlook: Stable' for Un-Secured NCDs in relation to this Issue.
12. Consents of the Directors, Chief Financial Officer, our Company Secretary & Compliance Officer, Lead Managers, Members of the Consortium, Legal Advisor to the Issue, Credit Rating Agencies, Bankers to the Issue, Refund Bank, Registrar to the Issue and the Debenture Trustee for the NCDs, to include their names in this Tranche 1 Prospectus, in their respective capacities, and the NOC received from Lenders to our Company and our Promoter.
13. Consent of the Statutory Auditors of our Company, for inclusion of their name and the report on the Reformatted Financial Statements in the form and context in which they appear in this Tranche 1 Prospectus and their statement on tax benefits mentioned herein.
14. The examination report dated November 10, 2016 in relation to the Reformatted Financial Statements included therein.
15. Limited review report dated October 22, 2016 on the Unaudited Financial Statements of our Company for the half year ended September 30, 2016.
16. Statement of Tax Benefits dated November 10, 2016 issued by our Statutory Auditors.
17. Annual Report of our Company for the last five Fiscals.

18. In-principle listing approval from BSE *vide* their letter no. DCS/BM/PI-BOND/4/16-17 dated November 22, 2016.
19. In-principle listing approval from NSE *vide* their letter no. NSE/LIST/ 94728 dated November 23, 2016.
20. Confirmation received from SEBI with regard to Allotment of NCDs in physical form SEBI *vide* letter no. IMD/DOF-1/AKS/OW/32466/2016 dated November 30, 2016.
21. Scheme of Arrangement between Reliance Capital Limited and our Company.
22. Due Diligence Certificate dated December 15, 2016 filed by the Lead Managers with SEBI.

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

DECLARATION

We, the Directors of the Company, hereby certify and declare that all applicable legal requirements in connection with the Issue including 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 this date, the guidelines issued by the Government of India and the regulations and guidelines and circulars issued by the National Housing Bank 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, including 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 in connection with the Issue have been complied with and no statement made in this Tranche 1 Prospectus is contrary to the relevant provisions of any acts, rules, regulations, guidelines and circulars as applicable to this Tranche 1 Prospectus.

We further certify that all the disclosures and statements in this Tranche 1 Prospectus which is to be read with the Shelf Prospectus 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 Tranche 1 Prospectus does not contain any misstatements.

Signed by the Board of Directors of the Company

Gautam Doshi
Non-Executive Director

Soumen Ghosh
Non-Executive Director

K. V. Srinivasan
Non-Executive Director

Padmanabh Vora
Independent Director

Deena Mehta
Independent Director

Place: Mumbai
Date: December 15, 2016

ANNEXURE A – ILLUSTRATION DAY COUNT CONVENTION

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

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

Effect of holidays on payments

If the date of payment of interest does not fall on a Working Day, then the interest payment will be made on succeeding Working Day, however the calculation for payment of interest will be only till the originally stipulated Interest Payment Date. The dates of the future interest payments would be as per the originally stipulated schedule. If the Redemption Date/Maturity Date (also being the last Coupon/Interest Payment Date) of any Series of the NCDs falls on a day that is not a Working Day, the redemption proceeds shall be paid on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment.

Series I Tranche 1 Issue

| | |
|--|------------------|
| Face Value per NCD (in ₹) | 1,000.00 |
| Deemed Date of allotment (assumed) | January 10, 2017 |
| Tenor | 3 years |
| Coupon Rate for Category I Investors and Category II Investors | 8.70% p.a. |
| Coupon Rate for Category III Investors and Category IV Investors | 8.90% p.a. |
| Redemption Date/Maturity Date (assumed) | January 10, 2020 |
| Frequency of interest payment | Annual |
| Effective Yield for Category I & II Investors | 8.70% p.a. |
| Effective Yield for Category III & IV Investors | 8.90% p.a. |
| Day Count Convention | Actual/Actual |
| Principal (in ₹) | 1,00,000.00 |

| Cash Flows | Date of Payment | No. of days in Coupon Period | For Category I Investors and Category II Investors (₹) | For Category III Investors and Category IV Investors (₹) |
|--|-----------------------------|------------------------------|--|--|
| 1 st Coupon/Interest Payment Date | Wednesday, January 10, 2018 | 365 | 8,700.00 | 8,900.00 |
| 2 nd Coupon/Interest Payment Date | Thursday, January 10, 2019 | 365 | 8,700.00 | 8,900.00 |
| 3 rd Coupon/Interest Payment Date | Friday, January 10, 2020 | 365 | 8,700.00 | 8,900.00 |
| Redemption of Principal | Friday, January 10, 2020 | | 1,00,000.00 | 1,00,000.00 |
| Total Cash Flows | | | 1,26,100.00 | 1,26,700.00 |

Series II Tranche 1 Issue

| | |
|---|------------------|
| Face Value per NCD (in ₹) | 1,000.00 |
| Issue Date/Date of allotment (assumed) | January 10, 2017 |
| Tenor | 5 Years |
| Coupon Rate for Category I & II Investors | 8.90% p.a. |
| Coupon Rate for Category III & IV Investors | 9.05% p.a. |
| Redemption Date/Maturity Date (assumed) | January 10, 2022 |
| Frequency of interest payment | Annual |
| Effective Yield for Category I & II Investors | 8.90% p.a. |
| Effective Yield for Category III & IV Investors | 9.05% p.a. |
| Day Count Convention | actual/actual |
| Principal (in ₹) | 1,00,000.00 |

| Cash Flows | Date of Payment | No of days in Coupon Period | For Category I Investors and Category II Investors (₹) | For Category III Investors and Category IV Investors (₹) |
|--|-----------------------------|-----------------------------|--|--|
| 1 st Coupon/Interest Payment Date | Wednesday, January 10, 2018 | 365 | 8,900.00 | 9,050.00 |
| 2 nd Coupon/Interest Payment Date | Thursday, January 10, 2019 | 365 | 8,900.00 | 9,050.00 |
| 3 rd Coupon/Interest Payment Date | Friday, January 10, 2020 | 365 | 8,900.00 | 9,050.00 |
| 4 th Coupon/Interest Payment Date | Monday, January 11, 2021 | 366 | 8,900.00 | 9,050.00 |
| 5 th Coupon/Interest Payment Date | Monday, January 10, 2022 | 365 | 8,900.00 | 9,050.00 |
| Redemption of Principal | Monday, January 10, 2022 | | 1,00,000.00 | 1,00,000.00 |
| Total Cash Flows | | | 1,44,500.00 | 1,45,250.00 |

Series III Tranche 1 Issue

| | |
|---|------------------|
| Face Value per NCD (in ₹) | 1,000.00 |
| Issue Date/Date of allotment (assumed) | January 10, 2017 |
| Tenor | 10 Years |
| Coupon Rate for Category I & II Investors | 9.00% p.a. |
| Coupon Rate for Category III & IV Investors | 9.15% p.a. |
| Redemption Date/Maturity Date (assumed) | January 10, 2027 |
| Frequency of interest payment | Annual |
| Effective Yield for Category I & II Investors | 9.00% p.a. |
| Effective Yield for Category III & IV Investors | 9.15% p.a. |
| Day Count Convention | actual/actual |
| Principal (in ₹) | 1,00,000.00 |

| Cash Flows | Date of Payment | No of days in Coupon Period | For Category I Investors and Category II Investors (₹) | For Category III Investors and Category IV Investors (₹) |
|---|-----------------------------|-----------------------------|--|--|
| 1 st Coupon/Interest Payment Date | Wednesday, January 10, 2018 | 365 | 9,000.00 | 9,150.00 |
| 2 nd Coupon/Interest Payment Date | Thursday, January 10, 2019 | 365 | 9,000.00 | 9,150.00 |
| 3 rd Coupon/Interest Payment Date | Friday, January 10, 2020 | 365 | 9,000.00 | 9,150.00 |
| 4 th Coupon/Interest Payment Date | Monday, January 11, 2021 | 366 | 9,000.00 | 9,150.00 |
| 5 th Coupon/Interest Payment Date | Monday, January 10, 2022 | 365 | 9,000.00 | 9,150.00 |
| 6 th Coupon/Interest Payment Date | Tuesday, January 10, 2023 | 365 | 9,000.00 | 9,150.00 |
| 7 th Coupon/Interest Payment Date | Wednesday, January 10, 2024 | 365 | 9,000.00 | 9,150.00 |
| 8 th Coupon/Interest Payment Date | Friday, January 10, 2025 | 366 | 9,000.00 | 9,150.00 |
| 9 th Coupon/Interest Payment Date | Saturday, January 10, 2026 | 365 | 9,000.00 | 9,150.00 |
| 10 th Coupon/Interest Payment Date | Saturday, January 09, 2027 | 364 | 8,975.00 | 9,125.00 |
| Redemption of Principal | Saturday, January 09, 2027 | | 1,00,000.00 | 1,00,000.00 |
| Total Cash Flows | | | 1,89,975.00 | 1,91,475.00 |

Series IV Tranche 1 Issue

| | |
|--|---|
| Face Value per NCD (in ₹) | 1,000.00 |
| Issue Date/Date of allotment (assumed) | January 10, 2017 |
| Tenor | 15 Years (unless call option is exercised at the end of 10 years) |
| Coupon Rate for Category I & II Investors* | 9.25% p.a. |
| Coupon Rate for Category III & IV Investors* | 9.40% p.a. |
| Redemption Date/Maturity Date (assumed) | January 10, 2032 (unless call option is exercised at the end of 10 years) |
| Frequency of interest payment | Annual |
| Effective Yield for Category I & II Investors* | 9.25% p.a. |
| Effective Yield for Category III & IV Investors* | 9.40% p.a. |
| Day Count Convention | actual/actual |
| Principal (in ₹) | 1,00,000.00 |

* In the event our company does not exercise the call option as described under “*Terms of the Issue - Put/ Call Option in relation to Un-Secured NCD Holders*” on page 43, a step-up of 25 bps above coupon after 10 years from Deemed Date of Allotment shall be payable on every subsequent coupon payment date.

| Cash Flows | Date of Payment | No of days in Coupon Period | For Category I Investors and Category II Investors (₹) | For Category III Investors and Category IV Investors (₹) |
|---|-----------------------------------|-----------------------------|--|--|
| 1 st Coupon/Interest Payment Date | Wednesday, January 10, 2018 | 365 | 9,250.00 | 9,400.00 |
| 2 nd Coupon/Interest Payment Date | Thursday, January 10, 2019 | 365 | 9,250.00 | 9,400.00 |
| 3 rd Coupon/Interest Payment Date | Friday, January 10, 2020 | 365 | 9,250.00 | 9,400.00 |
| 4 th Coupon/Interest Payment Date | Monday, January 11, 2021 | 366 | 9,250.00 | 9,400.00 |
| 5 th Coupon/Interest Payment Date | Monday, January 10, 2022 | 365 | 9,250.00 | 9,400.00 |
| 6 th Coupon/Interest Payment Date | Tuesday, January 10, 2023 | 365 | 9,250.00 | 9,400.00 |
| 7 th Coupon/Interest Payment Date | Wednesday, January 10, 2024 | 365 | 9,250.00 | 9,400.00 |
| 8 th Coupon/Interest Payment Date | Friday, January 10, 2025 | 366 | 9,250.00 | 9,400.00 |
| 9 th Coupon/Interest Payment Date | Saturday, January 10, 2026 | 365 | 9,250.00 | 9,400.00 |
| 10 th Coupon/Interest Payment Date | Saturday, January 09, 2027 | 364 | 9,250.00 | 9,400.00 |
| 11 th Coupon/Interest Payment Date | Monday, January 10, 2028 | 365 | 9,500.00 | 9,650.00 |
| 12 th Coupon/Interest Payment Date | Wednesday, January 10, 2029 | 366 | 9,500.00 | 9,650.00 |
| 13 th Coupon/Interest Payment Date | Thursday, January 10, 2030 | 365 | 9,500.00 | 9,650.00 |
| 14 th Coupon/Interest Payment Date | Friday, January 10, 2031 | 365 | 9,500.00 | 9,650.00 |
| 15 th Coupon/Interest Payment Date | Saturday, January 10, 2032 | 365 | 9,500.00 | 9,650.00 |
| Redemption of Principal | Saturday, January 10, 2032 | | 1,00,000.00 | 1,00,000.00 |
| Total Cash Flows | | | 2,40,000.00 | 2,42,250.00 |

Assumptions:

1. For the purpose of above illustrations, it is assumed that only Sundays are non-Working Day.
2. For the purpose of above illustrations, the Deemed Date of Allotment has been assumed as January 10, 2017. If the Deemed Date of Allotment undergoes a change, the coupon payment dates, redemption dates, redemption amounts and other cash flow workings shall be changed accordingly.
3. For Series IV NCDs, for the purpose of this illustration only, interest payments after 10 years have been calculated assuming the call option is not exercised and coupon is stepped up by 25 bps. In case call option is exercised, cash flows will change accordingly.
4. Fiscal 2020, Fiscal 2024 and Fiscal 2028, being leap years, interest payable on 4th Coupon/Interest Payment Date, 8th Coupon/Interest Payment Date and 12th Coupon/Interest Payment Date has been calculated for 366 days as provided in ***“Terms of the Issue - Day Count Convention”*** on page 43 of this Tranche I Prospectus.
5. Since the 4th and 10th Interest Payment Dates are falling on a non Working Day, interest is payable on the next Working Day without additional day's interest.
6. Since the Redemption/ Maturity Date for Series III is falling on a non Working Day, the redemption proceeds shall be paid on the immediately preceding Working Day. The interest for one day is deducted from the interest payable on the 10th Coupon/Interest Payment Date.

Note:

The Coupon/ Interest Payments are rounded-off to nearest rupee as per FIMMDA ‘Handbook on market practices’