



MUTHOOT FINANCE LIMITED

Our Company was originally incorporated at Kochi, Kerala as a private limited company on March 14, 1997 under the provisions of the Companies Act, 1956, with the name "The Muthoot Finance Private Limited". Subsequently, by a fresh certificate of incorporation dated May 16, 2007, our name was changed to "Muthoot Finance Private Limited". Our Company was converted into a public limited company on November 18, 2008 with the name "Muthoot Finance Limited" and received a fresh certificate of incorporation consequent to change in status on December 02, 2008 from the Registrar of Companies, Kerala and Lakshadweep. For further details regarding changes to the name and registered office of our Company, see section titled "History and Main Objects" on page 110 of the Shelf Prospectus. The corporate identity number of our Company is L65910KL1997PLC011300.

Registered and Corporate Office: 2nd Floor, Muthoot Chambers, Opposite Saritha Theatre Complex, Banerji Road, Kochi 682 018, India.

Tel: (+91 484) 239 4712; **Fax:** (+91 484) 239 6506; **Website:** www.muthootfinance.com; **Email:** ncd@muthootgroup.com.

Company Secretary and Compliance Officer: Maxin James; **Tel:** (+91 484) 6690247; **Fax:** (+91 484) 239 6506; **E-mail:** cs@muthootgroup.com

PUBLIC ISSUE BY MUTHOOT FINANCE LIMITED ("COMPANY" OR THE "ISSUER") OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH ("NCDs") FOR AN AMOUNT OF ₹ 1,000 MILLION ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 9,000 MILLION AGGREGATING UP TO 10,000,000 NCDs AMOUNTING TO ₹ 10,000 MILLION ("TRANCHE II ISSUE LIMIT") ("TRANCHE II ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹ 40,000 MILLION AND IS BEING OFFERED BY WAY OF THIS TRANCHE II PROSPECTUS DATED MAY 03, 2019 CONTAINING, INTER ALIA, THE TERMS AND CONDITIONS OF THIS TRANCHE II ISSUE ("TRANCHE II PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED FEBRUARY 05, 2019 ("SHELF PROSPECTUS") FILED WITH THE REGISTRAR OF COMPANIES, KERALA AND LAKSHADWEEP ("ROC"), STOCK EXCHANGES AND SECURITIES AND EXCHANGE BOARD OF INDIA. THE SHELF PROSPECTUS AND THIS TRANCHE II PROSPECTUS CONSTITUTES THE PROSPECTUS ("PROSPECTUS").

PROMOTERS: M G GEORGE MUTHOOT, GEORGE ALEXANDER MUTHOOT, GEORGE THOMAS MUTHOOT, GEORGE JACOB MUTHOOT

GENERAL RISK

Investors are advised to read the Risk Factors on page 12 of the Shelf Prospectus and on page 19 of this Tranche II Prospectus carefully before taking an investment decision in this Tranche II Issue. For taking an investment decision, the investors must rely on their own examination of the Issuer, the Shelf Prospectus and the Tranche II Prospectus including the risks involved. Specific attention of the investors is invited to the Risk Factors on pages 12 to 36 of the Shelf Prospectus and pages 19 to 21 of this Tranche II Prospectus and "Material Developments" on page 148 of the Shelf Prospectus and page 19 of this Tranche II Prospectus before making an investment in this Tranche II Issue. This document has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), the Registrar of Companies at Kerala and Lakshadweep ("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 II Prospectus read together with the Shelf Prospectus for this Tranche II Issue contains all information with regard to the Issuer and this Tranche II Issue, which is material in the context of this Tranche II Issue. The information contained in this Tranche II Prospectus read together with the Shelf Prospectus for this Tranche II Issue is true and correct in all material respects and is not misleading in any material respect and that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Tranche II Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

The NCDs proposed to be issued under this Tranche II Issue have been rated [ICRA] AA (Stable) by ICRA for an amount of upto ₹ 40,000 million vide its letter dated December 31, 2018 and further revalidated by letters dated January 30, 2019 and April 24, 2019 and have been rated CRISIL AA/Stable by CRISIL for an amount upto ₹ 40,000 million vide its letters dated January 18, 2019 and further revalidated by letter dated January 31, 2019 and April 22, 2019. The rating of the NCDs by ICRA and CRISIL indicates high degree of safety regarding timely servicing of financial obligations. The rating provided by ICRA and CRISIL may be suspended, withdrawn or revised at any time by the assigning rating agency and should be evaluated independently of any other rating. These ratings are not a recommendation to buy, sell or hold securities and investors should take their own decisions. Please refer to pages 151 to 177 of this Tranche II Prospectus for rating letter and rationale for the above rating.

PUBLIC COMMENTS

The Draft Shelf Prospectus dated January 28, 2019 had been filed with the BSE pursuant to regulation 6A, 6(1) and 6(2) of the Debt Regulations and was open for public comments for a period of seven Working Days until 5 p.m. on February 04, 2019.

LISTING

The NCDs offered through this Tranche II Prospectus are proposed to be listed on BSE. For the purposes of this Tranche II Issue, BSE shall be the Designated Stock Exchange. Our company has received an "in-principle" approval from BSE vide their letter no DCS/BM/PI-BOND/27/18-19 dated February 05, 2019.

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

For details relating to Coupon Rate, Coupon Payment Frequency, Maturity Date and Maturity Amount of the NCDs, see section titled "Terms of the Issue" starting on page 79 of this Tranche II Prospectus. For details relating to eligible investors please see "The Issue" on page 44 of the Shelf Prospectus and page 61 of this Tranche II Prospectus.

LEAD MANAGERS TO THE ISSUE

REGISTRAR TO THE ISSUE

DEBENTURE TRUSTEE



Edelweiss Financial Services Limited

Edelweiss House
Off CST Road, Kalina
Mumbai 400 098
Tel: (+91 22) 4086 3535
Fax: (+91 22) 4086 3610
Email: muthoot.ncd@edelweissfin.com
Investor Grievance Email:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Mr. Lokesh Singh / Mr. Mandeep Singh
Compliance Officer: Mr. B Renganathan
SEBI Registration No.: INM0000010650
CIN: L99999MH1995PLC094641



A. K. Capital Services Limited

30-38, Free Press House
3rd floor, Free Press Journal Marg
215, Nariman Point
Mumbai - 400 021, India
Tel: (+91 22) 6754 6500
Fax: (+91 22) 6610 0594
Email: mflncd2019@akgroup.co.in
Investor Grievance
Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Ms. Shilpa Pandey/Mr. Malay Shah
Compliance Officer: Mr. Tejas Davda
SEBI Registration No.: INM000010411
CIN: L74899MH1993PLC274881



LINK INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, L B S Marg,
Vikhroli West,
Mumbai 400 089, India
Tel: (+91 22) 4918 6200
Fax: (+91 22) 4918 6195
Email: mfl.ncd2019@linkintime.co.in
Investor Grievance
Email: mfl.ncd2019@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalakrishnan
SEBI Registration No.: INR000004058
CIN: U67190MH1999PTC118368



IDBI TRUSTEESHIP SERVICES LIMITED

Asian Building, Ground Floor
17 R, Kamani Marg, Ballard Estate
Mumbai 400 001, India
Tel: (+91 22) 4080 7000
Fax: (+91 22) 6631 1776
Investor Grievance Email:
anjalee@idbitrustee.com
Website: www.idbitrustee.co.in
Contact Person: Anjalee Athalye
SEBI Registration No.:
IND000000460
CIN: U65991MH2001GOI131154

TRANCHE II ISSUE PROGRAMME *

TRANCHE II ISSUE OPENS ON MAY 10, 2019

TRANCHE II ISSUE CLOSES ON JUNE 10, 2019

*The subscription list shall remain open for subscription on Working Days from 10 A.M. to 5 P.M., during the period indicated above, except that this Tranche II Issue may close on such earlier date or extended date as may be decided by the Board of Directors of our Company ("Board") or NCD Committee. In the event of such an early closure of or extension subscription list of this Tranche II Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or extended date of closure. Applications Forms for this Tranche II Issue will be accepted only from 10:00 a.m. till 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Tranche II Issue Period. On the Tranche II Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.

**IDBI Trusteeship Services Limited under regulation 4(4) of the SEBI Debt Regulations has by its letter dated January 14, 2019 given its consent for its appointment as Debenture Trustee to the Tranche II Issue and for its name to be included in the Shelf Prospectus and this Tranche II Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to the Tranche II Issue.

A copy of the Shelf Prospectus and this Tranche II Prospectus has been filed with the Registrar of Companies, Kerala and Lakshadweep, in terms of section 26 and 31 of the Companies Act, 2013, along with the endorsed/certified copies of all requisite documents. For further details please refer to the section titled "Material Contracts and Documents for Inspection" beginning on page 148 of this Tranche II Prospectus.

TABLE OF CONTENTS

SECTION I: GENERAL	3
DEFINITIONS / ABBREVIATIONS.....	3
FORWARD-LOOKING STATEMENTS	8
PRESENTATION OF FINANCIAL AND OTHER INFORMATION	9
SECTION II: INTRODUCTION	11
GENERAL INFORMATION	11
MATERIAL DEVELOPMENTS	19
• RISK FACTORS.....	19
• CAPITAL STRUCTURE	22
• OUR BUSINESS.....	32
• OUR MANAGEMENT.....	34
• OUR PROMOTERS	38
• DISCLOSURES ON EXISTING FINANCIAL INDEBTEDNESS.....	38
• PENDING PROCEEDINGS AND STATUTORY DEFAULTS	48
• OTHER MATTERS.....	60
THE ISSUE	61
OBJECTS OF THE ISSUE.....	65
STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS UNDER THE APPLICABLE LAWS IN INDIA.....	67
SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS.....	75
SECTION IV: ISSUE RELATED INFORMATION.....	79
TERMS OF THE ISSUE	79
ISSUE STRUCTURE	84
ISSUE PROCEDURE.....	100
SECTION V: LEGAL AND OTHER INFORMATION	125
OTHER REGULATORY AND STATUTORY DISCLOSURES.....	125
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION.....	148
DECLARATION	150
ICRA RATING LETTER	151
ICRA RATING RATIONALE	154
CRISIL RATING LETTER.....	164
CRISIL RATING RATIONALE.....	167
CONSENT OF THE DEBENTURE TRUSTEE	178
SCHEDULE A CASH FLOWS FOR VARIOUS OPTIONS	179
ANNEXURE A - UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018.....	A - 1

SECTION I: GENERAL

DEFINITIONS / ABBREVIATIONS

Company related terms

Term	Description
“We”, “us”, “our”, “the Company”, and “Issuer”	Muthoot Finance Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Muthoot Chambers, Opposite Saritha Theatre Complex, 2 nd Floor, Banerji Road, Kochi 682 018, Kerala, India.
AOA/Articles of Association	Articles of Association of our Company.
Board / Board of Directors	The Board of Directors of our Company and includes any Committee thereof from time to time.
Equity Shares	Equity shares of face value of ₹ 10 each of our Company.
Limited Review Financial Results	The unaudited standalone financial statements for the three months period ended June 30, 2018, six months period ended September 30, 2018 of our Company and quarter and nine months period ended December 31, 2018.
Memorandum / MOA	Memorandum of Association of our Company.
NCD Committee	The committee constituted by our Board of Directors by a board resolution dated May 16, 2018.
NBFC	Non-Banking Financial Company as defined under Section 45-IA of the RBI Act, 1934.
NPA	Non Performing Asset.
Promoters	M.G. George Muthoot, George Thomas Muthoot, George Jacob Muthoot and George Alexander Muthoot.
Reformatted Financial Statements	The reformatted standalone summary statement of assets and liabilities of the Company as of March 31, 2018, 2017, 2016, 2015 and 2014 and the related reformatted standalone summary statement of profit and loss and reformatted standalone statement of cash flows for the period ended March 31, 2018, 2017, 2016, 2015 and 2014 (collectively, together with the annexures thereto, the “ Reformatted Standalone Financial Information ”) and the reformatted consolidated summary statement of assets and liabilities of the Company as of March 31, 2018, 2017, 2016 and 2015 and the related reformatted consolidated summary statement of profit and loss and reformatted consolidated statement of cash flows for the period ended March 31, 2018, 2017, 2016 and 2015 (collectively, together with the annexures thereto, the “ Reformatted Consolidated Financial Information ”).
	The Audited Standalone Financial Statements and Statutory Auditors reports thereon form the basis of the Reformatted Standalone Financial Information. The Audited Standalone Financial Statements for the periods up to March 31, 2017 were audited by the Previous Auditor. The Audited Consolidated Financial Statements and Statutory Auditors reports thereon form the basis of the Reformatted Consolidated Financial Information. The Audited Consolidated Financial Statements for the periods up to March 31, 2017 were audited by the Previous Auditor.
ROC	The Registrar of Companies, Kerala and Lakshadweep.
₹/ Rs./ INR/ Rupees	The lawful currency of the Republic of India.
Previous Auditor	M/s. Rangamani & Co, Chartered Accountants, FRN: 003050S, 17/598, 2nd Floor, Card Bank Building, West of YMCA, VCSB Road, Allepey - 688 011, Kerala, India retired at the 20th Annual General Meeting of the Company held on 20th September, 2017,
Statutory Auditors	M/s. Varma & Varma, Chartered Accountants, FRN: 004532S, “Sreeraghavam”, Kerala Varma Tower, Bldg No. 53/2600 B, C, D & E, Off Kunjanbava Road, Vyttila P.O., Kochi- 682019 were appointed as Statutory Auditors of the Company at the 20 th Annual General Meeting held on 20 th September, 2017 to hold office for a term of five years, subject to ratification of their appointment by the Members at every Annual General Meeting thereafter.
Subsidiary(ies)	<ul style="list-style-type: none"> (a) Asia Asset Finance PLC, a company registered in the said Republic of Sri Lanka, under the Companies Act No.7, of 2007, having its registered office at No.76/1, Dharmapala Mawatha, Colombo 03, Sri Lanka. (b) Muthoot Homefin (India) Limited, Company registered in India, having its registered office at Muthoot Chambers, Kurians Tower Banerji Road, Cochin Ernakulam, Kerala- 682018. (c) Belstar Investment and Finance Private Limited, a Company registered in India, having its registered office at New No. 33, Old No. 14, 48th Street, 9th Avenue, Ashok Nagar, Chennai, Tamil Nadu- 600083. (d) Muthoot Insurance Brokers Private Limited, Company registered in India, having its registered office at 3rd Floor, Muthoot Chambers, Banerji Road Ernakulam, Kerala- 682018. (e) Muthoot Money Private Limited, Company registered in India, having its registered office at 41 4108 A 18 Opp Saritha Theatre Banerji Road, Ernakulam- 682018. (f) Muthoot Asset Management Private Limited, Company registered in India, having its registered office at 206, 2nd Floor, Sabari Samriddhi, Maitri Park, S.T. Bus, Stand, S T Road, Chembur, Mumbai, Mumbai City- 400071. (g) Muthoot Trustee Private Limited, Company registered in India, having its registered office at 206, 2nd Floor, Sabari Samriddhi, Maitri Park, S.T. Bus, Stand, S T Road, Chembur, Mumbai, Mumbai City- 400071.

Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing the salient features of the Shelf Prospectus and the Tranche II Prospectus
Acknowledgement slip	The slip or document issued by the Designated Intermediary to an Applicant as proof of registration of the Application Form.
Allotment / Allotted	Unless the context otherwise requires, the allotment of the NCDs pursuant to the Tranche II Issue to the Allottees.
Allottee(s)	The successful applicant to whom the NCDs are being/have been allotted.
Allotment Advice	The communication sent to the Allottees conveying details of NCDs allotted to the Allottees in accordance with the Basis of Allotment.
Applicant / Investor	The person who applies for issuance and Allotment of NCDs pursuant to the terms of the Shelf Prospectus and this Tranche II Prospectus and Abridged Prospectus and the Application Form for the Tranche II Issue .
Application	An application for Allotment of NCDs made through the ASBA process offered pursuant to this Tranche II Issue by submission of a valid Application Form and authorising an SCSB to block the Application Amount in the ASBA Account.
Application Amount	The aggregate value of the NCDs applied for, as indicated in the Application Form for the Tranche II Prospectus.
Application Form/ASBA Form	Form in terms of which an Applicant shall make an offer to subscribe to NCDs through the ASBA process and which will be considered as the Application for Allotment of NCDs in terms of the Shelf Prospectus and this Tranche II Prospectus.
ASBA Application or “Application Supported by Blocked Amount”	The Application in terms of which the Applicant apply by authorising SCSB to block the Application 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 Application Amount of an ASBA Applicant.
Banker to the Issue	ICICI Bank Limited, details of which have been specified on page 15 of this Tranche II Prospectus.
Base Issue	₹ 1,000 million.
Basis of Allotment	The basis on which NCDs will be allotted to applicants under the Tranche II Issue and which is described in “ <i>Issue Procedure – Basis of Allotment</i> ” on page 118 of this Tranche II Prospectus.
Bidding Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, i.e., Designated Branches of SCSB, Specified Locations for Members of the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs.
Broker Centres	Broker centres notified by the Stock Exchanges where Applicants can submit the ASBA Forms to a Registered Broker. The details of such Broker Centres, along with the names and contact details of the Trading Members are available on the respective websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com .
Client ID	Client identification number maintained with one of the Depositories in relation to the demat account.
Collecting Depository Participant or CDP	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Applications in the Tranche II Issue, at the Designated CDP Locations.
Collecting Registrar and Share Transfer Agents or CRTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Designated RTA Locations.
Coupon Rate	Please see the section titled “ <i>Terms of the Issue</i> ” on page 79 of this Tranche II Prospectus.
Credit Rating Agencies	For the present Tranche II Issue, the credit rating agencies, being CRISIL and ICRA
CRISIL	CRISIL Limited.
Debt Application Circular	Circular no. CIR/IMD/DF-1/20/2012 issued by SEBI on July 27, 2012 and Circular no. CIR/DDHS/P/121/2018 issued by SEBI on August 16, 2018.
Debenture Holder (s) / NCD Holder(s)	The holders of the NCDs whose name appears in the database of the relevant Depository.
Debt Listing Agreement	The listing agreement entered into between our Company and the relevant stock exchange(s) in connection with the listing of debt securities of our Company.
Debenture Agreement	Agreement dated January 28, 2019 entered into between our Company and the Debenture Trustee.
Debenture Trust Deed	The trust deed to be executed by our Company and the Debenture Trustee for creating the security over the NCDs issued under the Tranche II Issue.
Demographic Details	Details of the investor such as address, bank account details and occupation, which are based on the details provided by the Applicant in the Application Form.
Deemed Date of Allotment	The date on which the Board or the NCD Committee of the Board constituted by resolution of the Board dated May 16, 2018 approves the Allotment of the NCDs for the Tranche II Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.
Depositories Act	The Depositories Act, 1996, as amended from time to time.
Depository(ies)	National Securities Depository Limited (NSDL) and/or Central Depository Services (India) Limited (CDSL).
DP / Depository Participant	A depository participant as defined under the Depositories Act.
Designated Branches	Such branches of SCSBs which shall collect the ASBA Applications and a list of which is available on http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the respective websites of the Stock Exchange (www.bseindia.com and www.nseindia.com) as updated from time to time
Designated Date	The date on which Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Account to the

Term	Description
	Public Issue Account and/or Refund Account in terms of the Shelf Prospectus and this Tranche II Prospectus and the Public Issue Account Agreement.
Designated Intermediaries	The Members of the Syndicate, SCSBs, Trading Members, CRTAs and CDPs who are authorized to collect Application Forms from the Applicants, in relation to the Tranche II Issue.
Designated Locations	RTA Such locations of the CRTAs where Applicants can submit the Application Forms to CRTAs, a list of which, along with names and contact details of the CRTAs eligible to accept Application Forms are available on the website of the Stock Exchange at www.bseindia.com .
Designated Exchange	Stock BSE i.e. BSE Limited
Direct Application	Online The application made using an online interface enabling direct application by investors to a public issue of 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 II Issue in dematerialized form. Please note that the Applicants will not have the option to apply for NCDs under the Tranche II Issue, through the direct online applications mechanism of the Stock Exchange
Draft Prospectus	Shelf The Draft Shelf Prospectus dated January 28, 2019 filed with the Designated Stock Exchange for receiving public comments and with SEBI in accordance with the provisions of the Act/relevant provisions of the Companies Act, 2013 applicable as on the date of the Draft Shelf Prospectus and the SEBI Debt Regulations.
ICRA	ICRA Limited.
Insurance Companies	Insurance companies registered with the IRDA.
Issue	Public issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000.00 each for an amount upto the Shelf Limit. The Secured NCDs will be issued in one or more tranches, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue. The Issue is being made pursuant to the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, the Companies Act, 2013 and rules made thereunder as amended to the extent notified.
Issue Agreement	Agreement dated January 28, 2019 executed between the Company and the Lead Managers.
Lead Brokers	Axis Capital Limited, Bajaj Capital Limited, Edelweiss Securities Limited, HDFC Securities Limited, Integrated Enterprises (India) Private Limited, Muthoot Securities Limited, SMC Global Securities Limited, IIFL Securities Limited, RR Equity Brokers Private Limited, Kotak Securities Limited, ICICI Securities Limited, A. K. Stockmart Private Limited and Karvy Stock Broking Limited.
Lead Brokers MoU	Memorandum of understanding dated May 02, 2019 executed between the Company, Lead Brokers and the Lead Managers, for the purpose of marketing and procuring subscription for the Tranche II Issue on a non-exclusive basis.
Lead Managers	Edelweiss Financial Services Limited and A. K. Capital Services Limited.
Market Lot	1 NCD.
Members of the Syndicate	Lead Managers and the Lead Brokers.
Options	Collectively the options of NCDs being offered to the Applicants as stated in the section titled ‘ <i>Issue Related Information</i> ’ beginning on page 79 of this Tranche II Prospectus.
Offer Document	The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus and the Abridged Prospectus.
Public Account	Issue Account(s) to be opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date as specified in this Tranche II Prospectus.
Public Account Agreement	Issue Agreement dated May 02, 2019 executed between the Company, the Banker to the Issue, the Lead Managers and the Registrar to the Issue.
Public Account Bank	Issue ICICI Bank Limited
Record Date	The date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date of payment of interest, and/or the date of redemption. In case the Record Date falls on a day when the Stock Exchange is having a trading holiday, the immediate subsequent trading day will be deemed as the Record Date.
Redemption/ Maturity Amount	Please see the section titled “ <i>Terms of the Issue</i> ” on page 79 of this Tranche II Prospectus
Redemption/ Maturity Date	Please see the section titled “ <i>Terms of the Issue</i> ” on page 79 of this Tranche II Prospectus
Refund Account	The account(s) opened by our Company with the Refund Bank, from which refunds of the whole or part of the Application Amounts, if any, shall be made.
Refund Bank	ICICI Bank Limited
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Application Forms in terms of circular number CIR/CFD/14/2012 dated October 14, 2012, issued by SEBI
Registrar to the Issue	Link Intime India Private Limited
Retail Investor(s)	Individual Applicants who have applied for the NCDs for an amount aggregating up to and including INR 1,000,000 across all options of NCDs in the Tranche II Issue (including HUFs applying through their Karta).
SEBI Regulations	Debt SEBI (Issue and Listing of Debt Securities) Regulations, 2008, issued by SEBI, effective from June 06, 2008 as amended from time to time.
SEBI Regulations	ICDR SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
Secured NCD(s) / NCD(s)	Secured, redeemable non-convertible debentures for an amount of upto ₹ 40,000.00 million offered through the Shelf Prospectus and the relevant Tranche Prospectus(es) of face value of ₹ 1,000.00 each.
Senior Citizen	A person who on the date of this Tranche II Issue has attained the age of 65 years or more.
Self Certified Syndicate Banks or SCSBs	The banks registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 offering services in relation to ASBA, including blocking of an ASBA Account, and a list of which is available on https://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other web-link as may be prescribed by SEBI from time to time. A list of the branches of the SCSBs where ASBA Applications submitted to the

Term	Description
	Lead Managers, Lead Brokers or the Trading Member(s) of the Stock Exchange, will be forwarded by such Lead Managers, Lead Brokers or the Trading Members of the Stock Exchange is available at www.sebi.gov.in or at such other web-link as may be prescribed by SEBI from time to time.
Shelf Limit	The aggregate limit of the Issue, being ₹ 40,000.00 million to be issued under the Shelf Prospectus and the relevant Tranche Prospectus through one or more Tranche Issues.
Shelf Prospectus	The Shelf Prospectus dated February 05, 2019 filed by our Company with the SEBI, BSE and the RoC in accordance with the provisions of the Companies Act, 2013 and the SEBI Debt Regulations.
Specified Cities / Specified Locations	Bidding Centres where the Member of the Syndicate shall accept Application Forms from Applicants a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Stock exchange	BSE
Syndicate ASBA	Applications through the Designated Intermediaries.
Syndicate ASBA Application Locations	Bidding centres where the Designated Intermediaries shall accept Application Forms from Applicants, a list of which is available on the website of the SEBI at https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Syndicate SCSB Branches	In relation to Applications submitted to a Designated Intermediary, 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.
Tenor	Please see the section titled “ Terms of the Issue ” on page 79 of this Tranche II Prospectus.
Tier I capital	Tier I capital means, owned fund as reduced by investment in shares of other NBFCs and in shares, debentures, bonds, outstanding loans and advances including hire purchase and lease finance made to and deposits with subsidiaries and companies in the same group exceeding, in aggregate, 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 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.
Transaction Registration Slip or TRS	The slip or document issued by any of the Designated Intermediaries as the case may be, to an Applicant upon demand as proof of registration of his Application.
Trading Members	Individuals or companies registered with SEBI as “trading members” who hold the right to trade in stocks listed on the Stock Exchanges, through whom investors can buy or sell securities listed on the Stock Exchange, a list of which are available on www.bseindia.com (for Trading Members of BSE).
Tranche Issue	Issue of the NCDs pursuant to the respective Tranche Prospectus.
Tranche I Prospectus	The Tranche I Prospectus dated February 05, 2019 issued pursuant to the Tranche I Issue of secured redeemable non-convertible debentures of face value of ₹ 1,000 each for an amount of ₹ 1,000 million with an option to retain oversubscription up to ₹ 6,500 million aggregating upto 7,500,000 NCDs amounting to ₹ 7,500 million.
Tranche II Issue	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each (“NCDs”) for an amount of ₹ 1,000 million (“ Base Issue ”) with an option to retain oversubscription up to ₹ 9,000 million aggregating upto 10,000,000 NCDs amounting to ₹ 10,000 million (“ Tranche II Issue Limit ”) (“ Tranche II Issue ”) which is within the shelf limit of ₹ 40,000 million and is being offered by way of this Tranche II Prospectus dated May 03, 2019, containing, inter alia, the terms and conditions of this Tranche II Issue (“ Tranche II Prospectus ”), which should be read together with the Shelf Prospectus dated February 05, 2019 (“ Shelf Prospectus ”) filed with the Registrar of Companies, Kerala and Lakshadweep, the Stock Exchange and the SEBI.
Tranche II Issue Opening Date	May 10, 2019
Tranche II Issue Closing Date	June 10, 2019 or such early or extended date as may be decided by the NCD Committee of the Board.
Tranche II Issue Period	The period between the Tranche II Issue Opening Date and the Tranche II Issue Closing Date inclusive of both days.
Tranche II Prospectus	This Tranche Prospectus dated May 03, 2019 containing the details of the NCDs issued pursuant to the Tranche II Issue.
Tranche Prospectus(es)	The Tranche Prospectus(es) containing the details of NCDs including interest, other terms and conditions, material developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts and documents for inspection, in respect of the relevant Tranche Issue.
Trustees / Debenture Trustee	Trustees for the Debenture Holders in this case being IDBI Trusteeship Services Limited.
Working Day	All days excluding the second and the fourth Saturday of every month, Sundays and a public holiday in Kochi or Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to Tranche II Issue Period where working days shall mean all days, excluding Saturdays, Sundays and public holidays in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche II Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai.

**The subscription list shall remain open at the commencement of banking hours and close at the close of banking hours for the period as indicated, with an option for early closure or extension by such period, as may be decided by the Board or the duly authorised committee of the Board constituted by resolution of the Board dated May 16, 2018. In the event of such early closure of or extension subscription list of the Tranche II Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a leading daily national newspaper on or before such earlier date or extended date of closure.*

Industry related terms

Term	Description
Gold Loans	Personal and business loans secured by gold jewelry and ornaments.
NRI/Non-Resident	A person resident outside India, as defined under the FEMA
RRB	Regional Rural Bank.

Conventional and general terms

Term	Description
BSE	BSE Limited.
CDSL	Central Depository Services (India) Limited.
Companies Act, 2013	The Companies Act, 2013, to the extent notified by the Ministry of Corporate Affairs, Government of India
DRR	Debenture Redemption Reserve.
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, as amended from time to time.
Financial Year / FY	Financial Year ending March 31.
GoI	Government of India.
HUF	Hindu Undivided Family.
IFSC	Indian Financial System Code.
Indian GAAP	Generally Accepted Accounting Principles in India.
IndAS	Indian Accounting Standards
IRDA	Insurance Regulatory and Development Authority.
IT Act	The Income Tax Act, 1961, as amended from time to time.
MICR	Magnetic Ink Character Recognition.
NACH	National Automated Clearing House
NEFT	National Electronic Funds Transfer.
NSDL	National Securities Depository Limited.
PAN	Permanent Account Number.
RBI	The Reserve Bank of India.
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time.
RTGS	Real Time Gross Settlement.
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
SEBI Act	The Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI LODR Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Notwithstanding anything contained herein, capitalised terms that have been defined in the sections titled “*Statement of Tax Benefits*”, and “*Issue Procedure*” beginning on pages 67 and 100 of this Tranche II Prospectus, respectively will have the meanings ascribed to them in such sections.

FORWARD-LOOKING STATEMENTS

This Tranche II Prospectus contains certain “forward-looking statements”. These forward looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “future”, “goal”, “plan”, “contemplate”, “propose” “seek to” “project”, “should”, “will”, “will continue”, “will pursue”, “will likely result” or other words or phrases of similar import. All forward-looking statements are based on our current plans and expectations and are subject to a number of uncertainties and risks and assumptions that could significantly and materially affect our current plans and expectations and our future financial condition and results of operations. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- General economic and business conditions in India and globally;
- Our ability to successfully sustain our growth strategy;
- Our ability to compete effectively and access funds at competitive cost;
- Unanticipated turbulence in interest rates, equity prices or other rates or prices; the performance of the financial and capital markets in India and globally;
- The outcome of any legal or regulatory proceedings we are or may become a party to;
- Any disruption or downturn in the economy of southern India;
- Our ability to control or reduce the level of non-performing assets in our portfolio;
- General political and economic conditions in India;
- Change in government regulations;
- Competition from our existing as well as new competitors;
- Our ability to compete with and adapt to technological advances; and
- Occurrence of natural calamities or natural disasters affecting the areas in which our Company has operations.

For further discussion of factors that could cause our actual results to differ, see the section titled “*Risk Factors*” on page 12 of the Shelf Prospectus.

All forward-looking statements are subject to risks, uncertainties and assumptions about our Company that could cause actual results and valuations to differ materially from those contemplated by the relevant statement. Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under the sections titled “*Industry Overview*” and “*Our Business*” on page 74 and page 85 of the Shelf Prospectus. The forward-looking statements contained in this Tranche II 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 at this time, it cannot assure investors that such expectations will prove to be correct or will hold good at all times. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, our Company’s 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 our Company are expressly qualified in their entirety by reference to these cautionary statements.

Neither our Company, its Directors and 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 SEBI Debt Regulations, the 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 II Prospectus with the ROC and the date of the Allotment.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General

In this Tranche II Prospectus, unless otherwise specified or the context otherwise indicates or implies the terms, all references to "Muthoot Finance Limited", "Issuer", "we", "us", "our" and "our Company" are to Muthoot Finance Limited.

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

Unless stated otherwise, all references to financial numbers are on a standalone basis.

Unless the context otherwise indicates or implies, references to "you," "offeree," "purchaser," "subscriber," "recipient," "investors" and "potential investor" are to the prospective investors in this Tranche II Issue.

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

Unless otherwise stated, references in this Tranche II Prospectus to a particular year are to the calendar year ended on December 31 and to a particular "financial year" are to the financial year starting from April 01 and ending on March 31.

Unless otherwise stated all figures pertaining to the financial information in connection with our Company are on an unconsolidated basis.

Presentation of Financial Information

Our Company publishes its financial statements in Rupees. Our Company's financial statements for the year ended March 31, 2018, March 31, 2017, 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. With effect from 1 April 2018, as per the roadmap issued by the Ministry of Corporate Affairs for Non-Banking Finance Companies dated 18 January 2016, for financial reporting purposes, the Company has followed the Accounting Standards issued by the ICAI specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 ("Ind AS").

The Reformatted Standalone Financial Information and the Reformatted Consolidated Financial Informations are included in the Shelf Prospectus and collectively referred to hereinafter as the "Reformatted Financial Statements". The examination reports on the Reformatted Financial Statements as issued by our Company's Statutory Auditor, M/s. Varma & Varma, Chartered Accountants, are included in the Shelf Prospectus.

The Limited Review Standalone Financial Results of the Company for the quarter and three months ended June 30, 2018, quarter and six months ended September 30, 2018 and the quarter and nine months ended December 31, 2018 submitted by the Company to the Stock Exchange pursuant to the requirements of Regulation 33 of the SEBI LODR Regulations ("**Limited Review Financial Results**") are included in Annexure B of the Shelf Prospectus and in Annexure A beginning at page A-1 of this Tranche II Prospectus, titled "*Unaudited Financial Statements For the Quarter and Nine Months ended December 31, 2018*".

Unless stated otherwise, the financial data upto and for the year ended March 31, 2018 used in this Tranche II Prospectus is derived from our Company's "Reformatted Financial Statements".

Unless stated otherwise, the financial data for the quarter ended June 30, 2018, half year ended September 30, 2018 and quarter and nine months ended December 31, 2018 used in this Tranche II Prospectus is derived from our Company's "**Limited Review Financial Results**".

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

Currency and Unit of Presentation

In this Tranche II 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 II Prospectus, financial data will be given in ₹ in millions.

Except where stated otherwise in this Tranche II Prospectus, all financial data have been expressed in ₹ in million.

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

India has decided to adopt the “Convergence of its existing standards with IFRS” referred to as the “Indian Accounting Standards” or “Ind AS”. In terms of a notification released by the MCA, our Company is required to prepare its financial statements in accordance with Ind AS for accounting periods beginning on April 1, 2018. Accordingly, our financial statements for the quarter ended June 30, 2018, half year ended September 30, 2018 and for nine months period ended December 31, 2018 prepared under Ind AS, may not be comparable.

There are significant differences between Indian GAAP and Ind AS. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

SECTION II: INTRODUCTION

GENERAL INFORMATION

Our Company was originally incorporated as a private limited company on March 14, 1997 under the provisions of the Companies Act, 1956, with the name “The Muthoot Finance Private Limited”. Subsequently, by a fresh certificate of incorporation dated May 16, 2007, our name was changed to “Muthoot Finance Private Limited”. Our Company was converted into a public limited company on November 18, 2008 with the name “Muthoot Finance Limited” and received a fresh certificate of incorporation consequent to change in status on December 02, 2008 from the Registrar of Companies, Kerala and Lakshadweep. Muthoot Fincorp Limited is neither a related company nor is a company under the same management within the meaning of the Companies Act, 1956*. For further details regarding the Promoters and the group companies please refer to “*Our Promoters*” at page 133 of the Shelf Prospectus.

*Disclosure made in accordance with letter from SEBI bearing no. IMD/DOF-1/BM/VA/OW/22785/2013 dated October 30, 2013.

Corporate and Registered Office

Muthoot Finance Limited

2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Banerji Road, Kochi 682 018
Kerala, India
Tel: (+91 484) 239 4712
Fax: (+91 484) 239 6506
Website: www.muthootfinance.com
Email: ncd@muthootgroup.com

For details of change in registered office, refer to the section titled “*History and Main Objects*” on page 110 of the Shelf Prospectus.

Registration

Registration Number: 011300

Corporate Identity Number: L65910KL1997PLC011300 issued by the Registrar of Companies, Kerala and Lakshadweep.

Certificate of registration bearing number N. 16.00167 under Section 45IA of the RBI Act, 1934 from the RBI dated December 12, 2008 from the RBI to carry on the business of a non-banking financial institution without accepting public deposits.

Chief Financial Officer

Oommen K. Mammen
2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Banerji Road, Kochi 682 018
Kerala, India
Tel: (+91 484) 2397156
Fax: (+91 484) 2396506
Email: oommen@muthootgroup.com

Company Secretary and Compliance Officer

Maxin James
2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Banerji Road, Kochi 682 018
Kerala, India
Tel: (+91 484) 6690247

Fax: (+91 484) 2396506
Email: cs@muthootgroup.com

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre-issue or post-issue related issues such as non-receipt of intimation of allotment, demat credit of allotted NCDs or refunds, as the case may be.

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

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

All grievances arising out of Applications for the NCDs made through the Online Stock Exchanges Mechanism may be addressed directly to the respective Stock Exchanges.

Lead Managers

Edelweiss Financial Services Limited

Edelweiss House
Off CST Road, Kalina
Mumbai 400 098
Tel: +91 22 4086 3535
Fax: +91 22 4086 3610
Email: muthoot.ncd@edelweissfin.com
Investor Grievance Email:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Mr. Lokesh Singhi / Mr. Mandeep Singh
Compliance Officer: Mr. B Renganathan
SEBI Registration No.: INM0000010650
CIN: L99999MH1995PLC094641

A. K. Capital Services Limited

30-39, Free Press House
3rd Floor, Free Press Journal Marg,
215, Nariman Point
Mumbai - 400 021, India
Tel: (91 22) 67546500, 66349300
Fax: (91 22) 66100594
Email: mflncd2019@akgroup.co.in
Investor Grievance Email: investor.grievance@akgroup.co.in
Website: www.akgroup.co.in
Contact Person: Ms. Shilpa Pandey/ Mr. Malay Shah
Compliance Officer: Mr. Tejas Davda
SEBI Registration No.: INM000010411
CIN: L74899MH1993PLC274881

Debenture Trustee

IDBI Trusteeship Services Limited

Asian Building, Ground Floor
17 R, Kamani Marg, Ballard Estate
Mumbai 400 001, India
Tel: (+91 22) 4080 7000
Fax: (91 22) 6631 1776
Email: anjalee@idbitrustee.com

Website: www.idbitrustee.co.in
Contact Person: Anjalee Athalye
SEBI Registration No.: IND000000460
CIN: U65991MH2001GOI131154

IDBI Trusteeship Services Limited has by its letter dated January 14, 2019 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in the Shelf Prospectus and this Tranche II Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Tranche II Issue.

Registrar to the Issue

Link Intime India Private Limited

C 101, 247 Park , L B S Marg
Vikhroli (West),
Mumbai - 400 089, India
Tel: (+91 22) 4918 6200
Fax: (+91 22) 4918 6195
Email: mfl.ncd2019@linkintime.co.in
Investor Grievance Email: mfl.ncd2019@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan
SEBI Registration No.: INR000004058
CIN: U67190MH1999PTC118368

Link Intime India Private Limited has by its letter dated January 12, 2019 given its consent for its appointment as Registrar to the Issue and for its name to be included in the Shelf Prospectus and this Tranche II Prospectus and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Tranche II Issue.

Statutory Auditors

Varma & Varma

Chartered Accountants
"Sreeraghavam", Kerala Varma Tower,
Bldg No. 53/2600 B, C, D & E,
Off Kunjanbava Road, Vyttila P.O.,
Kochi- 682019
Tel: 91 – 484 – 2302223
Fax: 91 – 484 – 2306046
Email: kochi@varmaandvarma.com
Firm Registration No.: 004532S

Varma & Varma, chartered accountants, has been the statutory auditor of the Company since September 20, 2017. Previously, Rangamani & Co. has been the statutory auditor of the Company since September 2002 and continued as the statutory auditor of the Company till September 20, 2017. Members of the Company in their annual general meeting dated September 20, 2017 appointed Varma & Varma, Chartered Accountants (FRN: 004532S) in place of the retiring auditors M/s. Rangamani & Co.

Credit Rating Agencies

ICRA Limited

Building No. 8, 2nd Floor,
Tower A, DLF Cyber City, Phase II,
Gurgaon – 122 002
Telephone: (+91) (124) 4545 310
Facsimile: (+91) (124) 4050 424
Email: amit.gupta@icraindia.com
Contact Person: Mr. Amit Kumar Gupta
Website: www.icra.in
SEBI Registration Number: IN/CRA/008/2015

CRISIL Limited

CRISIL House, Central Avenue
Hiranandani Business Park, Powai
Mumbai 400 076, India
Telephone: (+91 22) 3342 3000 (B)
Facsimile: (+91 22) 3342 3050
Email: crisilratingdesk@crisl.com
Contact Person: Mr. Krishnan Sitaraman
Website: www.crisil.com
SEBI Registration Number: IN/CRA/001/1999

Credit Rating

The Secured NCDs proposed to be issued under this Tranche II Issue have been rated 'CRISIL AA/Stable' (pronounced as CRISIL double A rating with Stable outlook) for an amount of ₹ 40,000 million, by CRISIL vide their letter dated January 18, 2019 and further revalidated by letters dated January 31, 2019 and April 22, 2019 and '[ICRA]AA(Stable)' (pronounced as ICRA double A) for an amount of ₹ 40,000 million by ICRA Limited vide their letter dated December 31, 2018 and further revalidated by letters dated January 30, 2019 and April 24, 2019. The rating of 'CRISIL AA/Stable' by CRISIL Limited and '[ICRA]AA' by ICRA Limited indicate that instruments with these ratings are considered to have a high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. For the rationale for these ratings, see pages 154 and 167 of this Tranche II Prospectus. These ratings are not recommendations to buy, sell or hold securities and investors should take their own decision. These rating are subject to revision or withdrawal at any time by the assigning rating agencies and should be evaluated independently of any other ratings.

Disclaimer clause of ICRA

"This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and confirmed to use by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to suspend, withdraw or revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds to be issued by you. If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter communicating this rating, the same would stand withdrawn unless revalidated before the expiry of 3 months."

Disclaimer clause of CRISIL

"CRISIL Limited (CRISIL) has taken due care and caution in preparing the Material based on the information provided by its client and / or obtained by CRISIL from sources which it considers reliable (Information). A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. The Rating is not a recommendation to invest / disinvest in any entity covered in the Material and no part of the Material should be construed as an expert advice or investment advice or any form of investment banking within the meaning of any law or regulation. CRISIL especially states that it has no liability whatsoever to the subscribers / users / transmitters/ distributors of the Material. Without limiting the generality of the foregoing, nothing in the Material is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary permission and/or registration to carry out its business activities in this regard. The Company will be responsible for ensuring compliances and consequences of non-compliances for use of the Material or part thereof outside India. Current rating status and CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301."

Legal Advisors to the Issue

AZB & Partners

7th Floor, Embassy Icon
Infantry Road,
Bengaluru – 560 001, India
Tel: (+91 80) 4240 0500
Fax: (+91 80) 2221 3947

Public Issue Account Bank and Refund Bank

ICICI Bank Limited

Capital Market Division, 1st Floor
122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation
Churchgate, Mumbai 400 020 – India
Tel: (91 22) 66818923/924/932
Fax: (91 22) 22611138
Email: shweta.surana@icicibank.com
Contact Person: Shweta Surana
Website: www.icicibank.com
SEBI Registration No.: INBI00000004

Lead Broker(s) to the Issue

Axis Capital Limited

Axis House, Level 1, C-2,
Wadia International Centre,
P.B. Marg, Worli, Mumbai 400 025
Tel: (91 22) 4325 3110
Fax: (91 22) 43253000
Email: ajay.sheth@axiscap.in / vinayak.ketkar@axiscap.in
Contact Person: Ajay Sheth / Vinayak Ketkar
Website: www.axiscapital.co.in
SEBI Registration No.: INM000012029

Edelweiss Securities Limited

Edelweiss House,
Off. C.S.T Road,
Kalina, Mumbai – 400 098
Tel: (91 22) 4063 5569 / (91 22) 4063 5411
Fax: (91 22) 6747 1347
Email: amit.dalvi@edelweissfin.com / pakash.boricha@edelweissfin.com
Contact Person: Amit Dalvi / Prakash Boricha
Website: www.edelweissfin.com
SEBI Registration No.: INZ000166136

HDFC Securities Limited

I Think Techno Campus,
Building B, Alpha, Office Floor 8
Opposite Crompton Greaves, Kanjurmarg East,
Mumbai 400 042
Tel: (91 22) 3075 3400
Fax: (91 22) 3075 3435
Email: customercare@hdfcsec.com
Contact Person: Devan Mhatre
Website: www.hdfcsec.com
SEBI Registration No: BSE: INB/F011109437; NSE:
INB/F/E231109431

Karvy Stock Broking Limited

'Karvy House', 46,
Avenue 4, Street No. 1,
Banjara Hills,
Hyderabad 500 034,
Tel: (91 40) 2331 2454
Fax: (91 40) 2331 1968
Email: ksbldist@karvy.com
Contact Person: Mr. P.B. Ramapriyan
Website: www.karvy.com
SEBI Registration No.: INB230770138 (NSE), INB010770130 (BSE)

Integrated Enterprises (India) Private Limited

15, First Floor, Modern House
Dr. V B Gandhi Marg, Fort,
Mumbai 400 023, India
Tel: (91 22) 4066 1800
Fax: (91 22) 2287 4676
Email: krishnan@integratedindia.in
Contact Person: V Krishnan
Website: www.integratedindia.in
SEBI Registration No.: INZ000095737

Bajaj Capital Limited

Mezzanine Floor, Bajaj House,
97, Nehru Place,
New Delhi 110 019
Tel: (91 11) 4169 3000
Fax: (91 11) 2647 6638
Email: info@bajajcapital.com
Contact Person: Sumit Kumar Dudani
Website: www.bajajcapital.com
SEBI Registration No.: INZ000007732

Muthoot Securities Limited

1st Floor. Alpha Plaza, KP Vallon Road
Kadavanthara, Kochi
Kerala 682 020, India
Tel: (91 484) 433 7555, 4337587
Fax: Nil
Email: securities@muthootsecurities.com
Contact Person: Ragesh G.R. (Director & CEO)
Website: www.muthootsecurities.com
SEBI Registration No.: BSE: INB011294338;

SMC Global Securities Limited

17, Netaji Subhash Marg,
Opposite Golcha Cinema, Daryaganj,
New Delhi- 110 002
Tel: 91) 98186 20470, (91) 9810059041
Fax: (91 11) 2326 3297
Email: mkgs@smcindiaonline.com / neerajkhanna@smcindiaonline.com
Contact Person: Mahesh Gupta / Neeraj Khanna
Website: www.smctradeonline.com
SEBI Registration No.: INB23/07714-31

IIFL Securities Limited

6th & 7th Floor, Akruti Centre Point,
Central Road, MIDC, Andheri (E),

RR Equity Brokers Private Limited

412-422, Indraprakash Building, 21,
Barakhamba Road,

Lead Broker(s) to the Issue

Mumbai – 400093 Tel: (91 22) 3929 4000 / 4103 5000 Fax: (91 22) 2580 6654 Email: cs@indiainfoline.com Contact Person: Prasad Umarale Website: www.indiainfoline.com Investor Grievance e-mail ID: customergrievances@indiainfoline.com SEBI Registration No.: INZ000164132	New Delhi – 110001 Tel: (91 11) 2335 4802 Fax: (91 11) 2332 0671 Email: ipo@rrfcl.com Contact Person: Jeetesh Kumar Website: www.rrfinance.com SEBI Registration No.: BSE: INB011219632; NSE: INB231219636
Kotak Securities Limited 4 th Floor, C-12, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400 051 Tel: (91 22) 6748 5470 Fax: (91 22) 6661 7041 Email: umesh.gupta@kotak.com Contact Person: Umesh Gupta Website: www.kotak.com SEBI Registration No.: BSE: INB010808153; NSE: INB230808130	A. K. Stockmart Private Limited 30-39, Free Press House, 3 rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai 400 021. Tel: (91 22) 6754 6500 Fax: (91 22) 6754 4666 Email: ankit@akgroup.co.in / ranjit.dutta@akgroup.co.in Contact Person: Ankit Gupta / Ranjit Dutta Website: www.akgroup.co.in SEBI Registration No.: INZ000240830
ICICI Securities Limited ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai-400 020 Tel: (91 22) 66377157 Email: rajat.rawal@icicisecurities.com , customercare@icicisecurities.com Contact Person: Rajat Rawal Website: www.icicisecurities.com SEBI Registration No.: INM000011179	

Impersonation

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

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue, i.e. ₹ 750 million. If our Company does not receive the minimum subscription of 75% of the Base Issue, i.e. ₹ 750 million within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within the timelines prescribed under Applicable Law. 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.

Arrangers

No arrangers have been appointed for this Tranche II Issue.

Designated Intermediaries

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. A list of the Designated Branches of the SCSBs, with which an Applicant, not applying through the Syndicate, may submit the

Application Forms, is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> or at such other website as may be prescribed by SEBI from time to time.

Syndicate SCSB Branches

In relation to Applications submitted to the Designated Intermediaries, the list of branches of the SCSBs to receive deposits of ASBA Applications from such Designated Intermediaries 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 Applications from Designated Intermediaries, see the above mentioned web-link.

CRTAs / CDPs

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

Broker Centres/ Designated CDP Locations/ Designated RTA Locations

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

Utilisation of Tranche II Issue proceeds

Our Board of Directors certify that:

- all monies received out of this Tranche II Issue shall be credited/transferred to a separate bank account other than the bank account referred to in Section 40 of the Companies Act, 2013;
- the allotment letter shall be issued or application money shall be refunded within fifteen days from the closure of this Tranche II Issue or such lesser time as may be specified by Securities and Exchange Board, or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period;
- details of all utilised and unutilised monies out of previous issues made by way of public offer, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the purpose for which such monies have been utilised and the form in which such unutilised monies have been invested;
- we shall utilize the Tranche II Issue proceeds only upon creation of security and obtaining Listing and Trading approval as stated in this Tranche II Prospectus in the section titled “*Issue Structure*” beginning on page 84 of this Tranche II Prospectus; and
- the Tranche II Issue proceeds shall not be utilized towards full or part consideration for the purchase or any other acquisition, inter alia by way of a lease, of any immovable property or in the purchase of any business or in the purchase of an interest in any business.

Tranche II Issue Programme

TRANCHE II ISSUE OPENS ON	May 10, 2019
TRANCHE II ISSUE CLOSES ON	June 10, 2019

The subscription list shall remain open for subscription on Working Days from 10 A.M. to 5 P.M., during the period mentioned above, except that this Tranche II Issue may close on such earlier date or extended date as may be decided by the Board or NCD Committee. In the event of such an early closure of or extension subscription list of this Tranche

II Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a leading daily national newspaper on or before such earlier date or extended date of closure.

Applications Forms for this Tranche II Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the BSE, on Working Days during the Tranche II Issue Period. On the Tranche II Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the BSE.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchange on the Tranche II Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche II Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche II Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche II 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 this Tranche II Issue. Application Forms will only be accepted on Working Days during the Tranche II Issue Period. Neither our Company, nor the Designated Intermediaries are liable for any failure in uploading the Applications due to failure in any software/hardware systems or otherwise. As per the SEBI circular dated October 29, 2013, the allotment in this Tranche II Issue should be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

MATERIAL DEVELOPMENTS

Material developments since the date of filing of the Shelf Prospectus and the Tranche I Prospectus:

Other than as described below, there are no recent material developments in relation to our Company since the filing of the Shelf Prospectus and the Tranche I Prospectus with the ROC, BSE and SEBI, including in respect of disclosure under the sections titled “*Risk Factors*”, “*Capital Structure*”, “*Our Business*”, “*Our Management*”, “*Our Promoters*”, “*Disclosures on Existing Financial Indebtedness*” and “*Pending Proceedings and Statutory Defaults*”.

Unless otherwise stated, financial information used in this section is based on the unaudited financial information for the nine months ended on December 31, 2018 and other information is based on management information system of the Company.

Our Company further confirms that this Tranche II Prospectus contains all material disclosures which are true and adequate to enable prospective investors to make an informed investment decision in this Tranche II Issue, and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances in which they were made, not misleading.

Any and all material updates as mentioned below shall be applicable to the Shelf Prospectus in its entirety, wherever necessary, and shall not correspond solely or exclusively to the specific sections mentioned below.

• Risk Factors

1. ***Risk Factor 3 on page no.13 of the Shelf Prospectus titled “Our business requires substantial capital, and any disruption in funding sources would have a material adverse effect on our liquidity and financial condition.”***

Out of our total outstanding debt of ₹ 252,206.80 million as of December 31, 2018, an amount of ₹ 180,573.10 million will mature during the next 12 months.

2. ***Risk Factor 4 on page no.13 of the Shelf Prospectus titled “Our financial performance is particularly vulnerable to interest rate risk. If we fail to adequately manage our interest rate risk in the future it could have an adverse effect on our net interest margin, thereby adversely affecting our business and financial condition.”***

As of December 31, 2018, 51.91% of our borrowings were at fixed rates of interest, comprising primarily of our secured and unsecured (subordinated debt) non-convertible redeemable debentures (which constituted 33.60% of our total borrowings).

3. ***Risk Factor 7 on page no.15 of the Shelf Prospectus titled “We have certain contingent liabilities; in the event any of these contingent liabilities materialise, our financial condition may be adversely affected.”***

For the period ended December 31, 2018, contingent liabilities not provided for, amounted to ₹ 6,153.41 million. Set forth below is a table highlighting the main heads of contingent liabilities:

₹ million	
Claims against the Company, not acknowledged as debts	5,667.22
Counter Guarantee provided to banks	486.19

4. ***Risk Factor 8 on page no.16 of the Shelf Prospectus titled “We may not be able to successfully sustain our growth strategy. Inability to effectively manage our growth and related issues could materially and adversely affect our business and impact our future financial performance.”***

Our shareholding in our subsidiary Asia Asset Finance PLC, a registered financial company based in Sri Lanka and listed in Colombo Stock Exchange, is 69.17% as on March 31, 2019.

5. ***Risk Factor 10 on page no.17 of the Shelf Prospectus titled “A major part of our branch network is concentrated in southern India and any disruption or downturn in the economy of the region would adversely affect our operations.”***

- As of December 31, 2018, 2,701 out of our 4,422 branches were located in the south Indian states of Tamil Nadu (940 branches), Kerala (623 branches), Andhra Pradesh (381 branches), Karnataka (482 branches), Telangana (263 branches), Union Territory of Pondicherry (8 branches) and Andaman & Nicobar (4 branches).
- As of December 31, 2018 the south Indian states of Tamil Nadu, Kerala, Andhra Pradesh, Karnataka, Telangana, the Union Territory of Pondicherry and Andaman & Nicobar Islands constituted 48.93% of our total Gold Loan portfolio.

6. ***Risk Factor 11 on page no.17 of the Shelf Prospectus titled “Our indebtedness and the conditions and restrictions imposed by our financing agreements could restrict our ability to conduct our business and operations in the manner we desire.”***

As of December 31, 2018, we had an outstanding debt of ₹ 252,206.80 million.

7. ***Risk Factor 14 on page no.18 of the Shelf Prospectus titled “If we are not able to control or reduce the level of non-performing assets in our portfolio, the overall quality of our loan portfolio may deteriorate and our results of operations may be adversely affected.”***

Under IND-AS, Stage 3 assets as of December 31, 2018 stood at ₹ 6,371.53 million.

8. ***Risk Factor 18 on page no.20 of the Shelf Prospectus titled “A decline in our capital adequacy ratio could restrict our future business growth.”***

Our capital adequacy ratio was 25.74% as of December 31, 2018, with Tier I capital comprising of 25.22%.

9. ***Risk Factor 31 on page no.26 of the Shelf Prospectus titled “Our results of operations could be adversely affected by any disputes with our employees”.***

As of December 31, 2018 we employed 24,063 persons in our operations.

10. ***Risk Factor 37 on page no.27 of the Shelf Prospectus titled “We continue to be controlled by our Promoters and they will continue to have the ability to exercise significant control over us. We cannot assure you that exercise of control by our Promoters will always favour our best interest.”***

Our Promoters and Promoter Group hold, 73.50% of our outstanding Equity Shares as on March 31, 2019.

11. ***Risk Factor 61 on page no.34 of the Shelf Prospectus titled “Any downgrading in credit rating of our NCDs may adversely affect the value of NCDs and thus our ability to raise further debts.”***

The Secured NCDs for an amount of upto ₹ 40,000.00 million proposed to be issued under the Issue have been rated “[ICRA] AA/Stable” by ICRA vide its letter dated December 31, 2018 and revalidated by letter dated January 30, 2019 and further revalidated by letter dated April 24, 2019. The Secured NCDs for an amount of upto ₹ 40,000.00 million proposed to be issued under the Issue have been rated “CRISIL AA/Stable” by CRISIL vide its letter dated January 18, 2019 and revalidated by letter dated January 31, 2019 and further revalidated by letter dated April 22, 2019.

12. ***Risk Factor 62 on page no.34 of the Shelf Prospectus titled “Securities on our Secured NCDs rank as pari passu with our Company’s secured indebtedness. “***

As of December 31, 2018, our Company’s secured debt was ₹ 200,259.86 million.

13. ***Risk Factor 65 on page no.35 of the Shelf Prospectus titled “This Shelf Prospectus includes certain unaudited financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited.”***

This Shelf Prospectus and Tranche II Prospectus includes certain unaudited financial information in relation to our Company, for the quarter ended June 30, 2018, quarter/half year ended September 30, 2018 and quarter/nine months ended December 31, 2018 in respect of which the Statutory Auditors of our Company have issued their Limited Review Reports dated September 04, 2018, December 06, 2018 and February 06, 2019 respectively. As this financial information has been subject only to limited review as required by regulation 52(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as described in Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India, and not to an audit, any reliance by prospective investors on such unaudited financial information should accordingly, be limited. We are required to prepare our financial statements in accordance with Ind AS with effect from April 1, 2018 with comparatives for prior periods. Ind AS differs in various respects from Indian GAAP. Accordingly, our financial statements for the period commencing from April 1, 2018 will not be comparable to our historical financial statements. Moreover, our financial results for any given fiscal quarter or period, including the quarter ended June 30, 2018 , quarter/half year ended September 30, 2018 and quarter/nine months ended December 31, 2018 may not be directly comparable with our financial results for any full fiscal or for any other fiscal quarter or period. Accordingly, reliance by prospective investors to the Issue on such unaudited financial information shall be limited.

- **Capital Structure**

Details of share capital

The share capital of our Company as of March 31, 2019 is set forth below:

	Amount in ₹
A Authorised share capital	
450,000,000 Equity Shares of ₹ 10.00 each	4,500,000,000.00
5,000,000 Redeemable Preference Shares of ₹ 1,000.00 each	5,000,000,000.00
TOTAL	9,500,000,000.00
B Issued, subscribed and paid-up share capital	
40,06,61,316 Equity Shares of ₹ 10.00 each	4,00,66,13,160.00
C Securities Premium Account	14,89,04,08,705.22

This Issue will not result in any change of the paid up capital and securities premium account of the Company.

Changes in the authorised capital of our Company as of March 31, 2019

Details of increase in authorised share capital since incorporation

S.No.	Particulars of increase	Date of Shareholders' meeting	AGM/EGM
1.	Increase in authorised share capital from ₹ 6,000,000.00 divided into 600,000 equity shares of ₹ 10.00 each to ₹ 26,000,000.00 divided into 2,600,000 equity shares of ₹ 10.00 each.	November 20, 2001	EGM
2.	Increase in authorised share capital from ₹ 26,000,000.00 divided into 2,600,000 equity shares of ₹ 10.00 each to ₹ 86,000,000.00 divided into 8,600,000 equity shares of ₹ 10.00 each.*	August 21, 2004	Court convened general meeting
3.	Increase in authorised share capital from ₹ 86,000,000.00 divided into 8,600,000 equity shares of ₹ 10.00 each to ₹ 500,000,000.00 divided into 50,000,000 equity shares of ₹ 10.00 each.	September 10, 2008	AGM
4.	Increase in authorised share capital from ₹ 500,000,000.00 divided into 50,000,000 equity shares of ₹ 10.00 each to ₹ 3,500,000,000.00 divided into 350,000,000 equity shares of ₹ 10.00 each.	August 24, 2009	EGM
5.	Increase in authorised share capital from ₹ 3,500,000,000.00 divided into 350,000,000 equity shares of ₹ 10.00 each to ₹ 4,500,000,000.00 divided into 450,000,000 equity shares of ₹ 10.00 each.	September 21, 2010	EGM
6.	Increase in authorised share capital from ₹ 4,500,000,000.00 divided into 450,000,000 equity shares of ₹ 10.00 each to ₹ 9,500,000,000.00 divided into 450,000,000 equity shares of ₹ 10.00 each and 5,000,000 redeemable preference shares of ₹ 1,000.00 each.	March 07, 2011	EGM

**This increase in authorised share capital was pursuant to the order of the High Court of Kerala, Ernakulam dated January 31, 2005 approving the scheme of arrangement and amalgamation of Muthoot Enterprises Private Limited with our Company. For further details regarding the scheme of arrangement and amalgamation, see "History and Main Objects" on page 110 of the Shelf Prospectus.*

Notes to capital structure

1. *Share capital history of the Company*

(a) Equity Share capital history of the Company as of March 31, 2019

Date of allotment	No. of Equity Shares	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up share capital (₹)	Cumulative share premium (₹)
March 14, 1997	4,000	10.00	10.00	Cash	Subscription to the Memorandum(1)	4,000	40,000.00	-
March 30, 1998	250,000	10.00	10.00	Cash	Preferential Allotment(2)	254,000	2,540,000.00	-
March 06, 2002	1,750,000	10.00	30.00	Cash	Preferential Allotment(3)	2,004,000	20,040,000.00	35,000,000.00
March 21, 2005	1,993,230	10.00	-	Consideration other than cash, pursuant to scheme of amalgamation	Allotment pursuant to scheme of amalgamation.(4)	3,997,230	39,972,300.00	35,000,000.00
October 31, 2006	1,000,000	10.00	250.00	Cash	Preferential Allotment(5)	4,997,230	49,972,300.00	275,000,000.00
February 27, 2007	2,770	10.00	10.00	Cash	Preferential Allotment(6)	5,000,000	50,000,000.00	275,000,000.00
July 31, 2008	1,000,000	10.00	250.00	Cash	Preferential Allotment(7)	6,000,000	60,000,000.00	515,000,000.00
October 21, 2008	42,000,000	10.00	-	N.A.	Bonus issue in the ratio 7:1(8)	48,000,000	480,000,000.00	515,000,000.00
December 31, 2008	1,000,000	10.00	250.00	Cash	Preferential Allotment(9)	49,000,000	490,000,000.00	755,000,000.00
August 29, 2009	252,000,000	10.00	-	N.A.	Bonus issue in the ratio 36:7(10)	301,000,000	3,010,000,000.00	0
July 23, 2010	6,404,256	10.00	123.00	Cash	Preferential allotment to Matrix Partners India Investments, LLC pursuant to the Matrix Investment Agreement.	307,404,256	3,074,042,560.00	723,680,928.00
July 23, 2010	6,404,256	10.00	123.00	Cash	Preferential allotment to Baring India Private Equity Fund III Limited pursuant to the Baring Investment Agreement	313,808,512	3,138,085,120.00	1,447,361,856.00
September 08, 2010	3,042,022	10.00	133.00	Cash	Preferential allotment to Kotak India Private Equity Fund pursuant to the Kotak Investment Agreement.	316,850,534	3,168,505,340.00	1,821,530,562.00
September 08, 2010	160,106	10.00	133.00	Cash	Preferential allotment to Kotak Investment Advisors Limited pursuant to the Kotak Investment Agreement.	317,010,640	3,170,106,400.00	1,841,223,600.00
September 23, 2010	1,440,922	10.00	173.50	Cash	Preferential allotment to Matrix Partners India	318,451,562	3,184,515,620.00	2,076,814,380.00

Date of allotment	No. of Shares	Equity	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up share capital (₹)	Cumulative premium (₹)	share
September 23, 2010	1,761,206		10.00	173.50	Cash	Investments, LLC pursuant to the Matrix Investment Agreement. Preferential allotment to The Wellcome Trust Limited (as trustee of The Wellcome Trust, United Kingdom) pursuant to the Wellcome Investment Agreement.	320,212,768	3,202,127,680.00	2,364,771,561.00	
May 03, 2011	51,500,000		10.00	175.00	Cash	Allotment pursuant to initial public offering	371,712,768	3,717,127,680.00	10,862,271,561.00	
April 29, 2014	25,351,062		10.00	165.00	Cash	Allotment pursuant to Institutional Placement Programme	397,063,830	3,970,638,300.00	14,500,195,725.00	
January 06, 2015	1,63,400		10.00	50.00	Cash	Allotment pursuant to ESOP Scheme	397,227,230	3,972,272,300.00	14,471,966,693.96	
January 06, 2015	4,85,181		10.00	10.00	Cash	Allotment pursuant to ESOP Scheme	397,712,411	3,977,124,110.00	14,524,026,615.26	
March 06, 2015	1,68,960		10.00	10.00	Cash	Allotment pursuant to ESOP Scheme	397,881,371	3,978,813,710.00	14,542,156,023.26	
March 06, 2015	85,048		10.00	50.00	Cash	Allotment pursuant to ESOP Scheme	397,966,419	3,979,664,190.00	14,551,281,673.66	
June 04, 2015	21,641		10.00	10.00	Cash	Allotment pursuant to ESOP Scheme	397,988,060	3,979,880,600.00	14,553,603,752.96	
June 04, 2015	11,900		10.00	50.00	Cash	Allotment pursuant to ESOP Scheme	397,999,960	3,979,999,600.00	14,554,880,622.96	
September 15, 2015	9,394		10	10.00	Cash	Allotment pursuant to ESOP Scheme	398,009,354	3,980,093,540.00	14,556,020,991.1	
September 15, 2015	34,642		10	50.00	Cash	Allotment pursuant to ESOP Scheme	398,043,996	3,980,439,960.00	14,561,724,761.76	
March 16, 2016	6,02,106		10	10.00	Cash	Allotment pursuant to ESOP Scheme	39,86,46,102	3,98,64,61,020.00	14,626,198,343.56	
March 16, 2016	356,230		10	50.00	Cash	Allotment pursuant to ESOP Scheme	39,90,02,332	3,99,00,23,320.00	14,665,742,013.56	
June 27, 2016	23,782		10	10.00	Cash	Allotment pursuant to ESOP Scheme	39,90,26,114	3,99,02,61,140.00	14,668,297,172.16	
June 27, 2016	24,820		10	50.00	Cash	Allotment pursuant to ESOP Scheme	39,90,50,934	3,99,05,09,340.00	14,670,994,528.16	
December 21, 2016	12,525		10	10.00	Cash	Allotment pursuant to ESOP Scheme	39,90,63,459	3,99,06,34,590.00	14,672,469,914.66	
December 21, 2016	392,280		10	50.00	Cash	Allotment pursuant to ESOP Scheme	39,94,55,739	3,99,45,57,390.00	14,717,877,388.66	
March 23, 2017	19,810		10	50	Cash	Allotment pursuant to ESOP Scheme	399,475,549	3,994,755,490.00	14,721,810,886.66	
May 09, 2017	3,512		10	10	Cash	Allotment pursuant to ESOP Scheme	399,479,061	3,994,790,610.00	14,72,21,70,618.27	

Date of allotment	No. of Shares	Equity	Face value (₹)	Issue price (₹)	Nature of consideration	Reasons for allotment	Cumulative no. of Equity Shares	Cumulative paid-up share capital (₹)	Cumulative share premium (₹)
May 09, 2017	57,235		10	50	Cash	Allotment pursuant to ESOP Scheme	399,536,296	3,995,362,960.00	14,73,14,90,439.47
August 07, 2017	4,113		10	10	Cash	Allotment pursuant to ESOP Scheme	399,540,409	3,995,404,090.00	14,73,22,60,652.08
August 07, 2017	26,280		10	50	Cash	Allotment pursuant to ESOP Scheme	399,566,689	3,995,666,890.00	14,73,70,68,218.87
December 2017	11, 2,575		10	10	Cash	Allotment pursuant to ESOP Scheme	399,569,264	3,995,692,640.00	14,73,74,30,738.24
December 2017	11, 344,650		10	50	Cash	Allotment pursuant to ESOP Scheme	399,913,914	3,999,139,140.00	14,78,00,35,375.64
March 29, 2018	3,225		10	10	Cash	Allotment pursuant to ESOP Scheme	399917139	3,999,171,390.00	14,78,03,58,544.64
March 29, 2018	124,100		10	50	Cash	Allotment pursuant to ESOP Scheme	400041239	4,000,412,390.00	14,79,70,41,885.56
May 15, 2018	1,925		10	10	Cash	Allotment pursuant to ESOP Scheme	400043164	4,000,431,640.00	14,79,72,35,012.87
May 15, 2018	48,280		10	50	Cash	Allotment pursuant to ESOP Scheme	400091444	4,000,914,440.00	14,80,66,55,856.87
September 2018	19, 3,237		10	10	Cash	Allotment pursuant to ESOP Scheme	400094681	4,000,946,810.00	14,80,74,55,069.06
September 2018	19, 117,090		10	50	Cash	Allotment pursuant to ESOP Scheme	400211771	4,002,117,710.00	14,83,37,32,460.56
December 2018	18, 2,125		10	10	Cash	Allotment pursuant to ESOP Scheme	400213896	4,002,138,960.00	14,83,39,98,282.12
December 2018	18, 369,385		10	50	Cash	Allotment pursuant to ESOP Scheme	400583281	4,005,832,810.00	14,87,84,45,960.17
February 20, 2019	45,080		10	50	Cash	Allotment pursuant to ESOP Scheme	400628361	4,006,283,610.00	14,88,41,99,305.82
March 23, 2019	32,955		10	50	Cash	Allotment pursuant to ESOP Scheme	400661316	4,006,613,160.00	14,89,04,08,705.22

1. At the time of incorporation, upon subscription to the Memorandum, allotment of 1,000 Equity Shares to each of M.G. George Muthoot, George Thomas Muthoot, George Jacob Muthoot and George Alexander Muthoot.
2. Allotment of 62,500 Equity Shares to each of M.G. George Muthoot, George Thomas Muthoot, George Jacob Muthoot and George Alexander Muthoot.
3. Allotment of Equity Shares to M.G. George Muthoot (200,000), George Thomas Muthoot (200,000), George Jacob Muthoot (200,000), George Alexander Muthoot (250,000), Georgie Kurien (150,000), Valsa Kurien (150,000), Sara George (150,000), Susan Thomas (150,000), Elizabeth Jacob (150,000), and Anna Alexander (150,000).
4. Allotment of Equity Shares to M.G. George Muthoot (684,700), George Thomas Muthoot (234,366), George Alexander Muthoot (587,866), Susan Thomas (58,733), George Jacob Muthoot (340,900), Elizabeth Jacob (38,133), Anna Alexander (48,433), Paul M. George (33), George M. George (33) and George M. Alexander (33) pursuant to order of the High Court of Kerala, Ernakulam dated January 31, 2005 approving the scheme of arrangement and amalgamation of Muthoot Enterprises Private Limited with the Company whereby every shareholder of Muthoot Enterprises Private Limited is entitled to shares of the Company in the ratio of 3:1. For further details regarding the scheme of arrangement and amalgamation, see "History and Main Objects" on page 110 of the Shelf Prospectus.
5. Allotment of Equity Shares to M.G. George Muthoot (228,700), George Alexander Muthoot (228,700), George Thomas Muthoot (228,700), George Jacob Muthoot (228,700), Anna Alexander (30,000), Georgie Kurien (2,400), Sara George (4,800), Susan Thomas (4,800), Elizabeth Jacob (30,000), George M. George (10,000), Paul M. George (800), Alexander M. George (800), George M. Jacob (800) and George M. Alexander (800).

6. *Allotment of Equity Shares to George Alexander Muthoot.*
7. *Allotment of Equity Shares to M.G. George Muthoot (120,000), George Alexander Muthoot (120,000), George Thomas Muthoot (120,000), George Jacob Muthoot (120,000), Anna Alexander (52,000), Sara George (52,000), Susan Thomas (52,000), Elizabeth Jacob (52,000), George M. George (52,000), Paul M George (52,000), Alexander M. George (52,000), George M. Jacob (52,000), George M. Alexander (52,000) and Eapen Alexander (52,000).*
8. *Allotment of Equity Shares to M.G. George Muthoot (10,828,300), George Alexander Muthoot (10,519,852), George Thomas Muthoot (4,525,962), George Jacob Muthoot (5,264,700), Anna Alexander (1,963,031), Sara George (1,447,600), Susan Thomas (1,508,731), Elizabeth Jacob (1,540,931), George M. George (434,931), Paul M. George (370,531), Alexander M. George (370,300), George M. Jacob (370,300), George M. Alexander (370,531), Eapen Alexander (365,400), Susan Kurien (700), Reshma Susan Jacob (700), Anna Thomas (700), Valsa Kurien (1,050,000) and Georgie Kurien (1,066,800).*
9. *Allotment of Equity Shares to M.G. George Muthoot (120,000), George Alexander Muthoot (120,000), George Thomas Muthoot (120,000), George Jacob Muthoot (120,000), Anna Alexander (52,000), Sara George (52,000), Susan Thomas (52,000), Elizabeth Jacob (52,000), George M. George (52,000), Paul M George (52,000), Alexander M. George (52,000), George M. Jacob (52,000), George M. Alexander (52,000) and Eapen Alexander (52,000).*
10. *Allotment of Equity Shares to M.G. George Muthoot (37,800,000), George Alexander Muthoot (37,800,000), George Thomas Muthoot (37,800,000), George Jacob Muthoot (37,800,000), Anna Alexander (12,600,000), Sara George (11,414,736), Susan Thomas (25, 200,000), Elizabeth Jacob (12,600,000), George M. George (5,670,000), Paul M. George (2,445,264), Alexander M. George (5,670,000), George M. Jacob (12,600,000), George M. Alexander (6,300,000), Eapen Alexander (6,300,000).*
11. *Equity Shares issued for consideration other than cash*

Date of allotment	No. of Equity Shares	Issue price (₹)	Reasons for allotment	Benefits accruing to the Company
March 21, 2005	1, 993, 230	-	Pursuant to scheme of amalgamation ⁽¹⁾	Allotment pursuant to scheme of amalgamation.
TOTAL	1, 993, 230			

12. *Allotment of Equity Shares to M.G George Muthoot (684,700), George Thomas Muthoot (234,366), George Alexander Muthoot (587,866), Susan Thomas (58,733), George Jacob Muthoot (340,900), Elizabeth Jacob (38,133), Anna Alexander (48,433), Paul M. George (33), George M. George (33) and George M. Alexander (33) pursuant to order of the High Court of Kerala, Ernakulam dated January 31, 2005 approving the scheme of arrangement and amalgamation of Muthoot Enterprises Private Limited with the Company whereby every shareholder of Muthoot Enterprises Private Limited is entitled to shares of the Company in the ratio of 3:1. For further details regarding the scheme of arrangement and amalgamation, see “History and Main Objects” on page 110 of the Shelf Prospectus.*
13. *Cumulative share premium have been adjusted for impact of IND-AS implementation for allotments from April 01, 2017.*

The Company has not issued any equity shares for consideration other than cash in the two financial years immediately preceding the date of the Tranche II Prospectus.

Share holding pattern of our Company as on March 31, 2019

Summary Statement Holding of Equity Shareholders

Category	Category & Name of shareholders	Nos. of shareholders	No. of fully paid up equity shares held	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (A+B+C2)	Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
						No. (a)	As a % of total Shares held(b)	
A	Shareholding pattern of the Promoter and Promoter Group							
1	Indian							
(a)	Individuals / Hindu Undivided Family	13	294,463,872	294,463,872	73.4945	0	0.0000	294,463,872
(b)	Central Government / State Government(s)	0	0	0	0.0000	0	0.0000	0
(c)	Financial Institutions / Banks	0	0	0	0.0000	0	0.0000	0
(d)	Any Other (Specify)	0	0	0	0.0000	0	0.0000	0
	Sub Total (A)(1)	13	294,463,872	294,463,872	73.4945	0	0.0000	294,463,872
2	Foreign							
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0.0000	0	0.0000	0
(b)	Government	0	0	0	0.0000	0	0.0000	0
(c)	Institutions	0	0	0	0.0000	0	0.0000	0
(d)	Foreign Portfolio Investor	0	0	0	0.0000	0	0.0000	0
(e)	Any Other (Specify)	0	0	0	0.0000	0	0.0000	0
	Sub Total (A)(2)	0	0	0	0.0000	0	0.0000	0

	Total Shareholding Of Promoter And Promoter Group (A)= (A)(1)+(A)(2)	13	294,463,872	294,463,872	73.4945	0	0.0000	294,463,872
B	Public shareholder							
1	Institutions							
(a)	Mutual Fund	16	37,473,648	37,473,648	9.3529	NA	NA	37,473,648
(b)	Venture Capital Funds	0	0	0	0.0000	NA	NA	0
(c)	Alternate Investment Funds	13	1,825,339	1,825,339	0.4556	NA	NA	1,825,339
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	NA	NA	0
(e)	Foreign Portfolio Investor	232	49,496,330	49,496,330	12.3537	NA	NA	49,496,330
(f)	Financial Institutions / Banks	2	61,169	61,169	0.0153	NA	NA	61,169
(g)	Insurance Companies	0	0	0	0.0000	NA	NA	0
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	NA	NA	0
(i)	Any Other (Specify)	0	0	0	0.0000	NA	NA	0
	Sub Total (B)(1)	263	88,856,486	88,856,486	22.1775	NA	NA	88,856,486
2	Central Government/ State Government(s)/ President of India							
	Central Government / State Government(s)	0	0	0	0.0000	NA	NA	0
	Sub Total (B)(2)	0	0	0	0.0000	NA	NA	0
3	Non-Institutions							
(a)	Individuals		0			NA	NA	
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	43,140	7,839,612	7,839,612	1.9567	NA	NA	7,839,470
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	37	4,976,844	4,976,844	1.2422	NA	NA	4,976,844
(b)	NBFCs registered with RBI	7	13,259	13,259	0.0033	NA	NA	13,259
	Trust Employee	0	0	0	0.0000	NA	NA	0

(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	NA	NA	0
(e)	Any Other (Specify)	2,995	4,511,243	4,511,243	1.1259	NA	NA	4,511,243
	Trusts	4	25,220	25,220	0.0063	NA	NA	25,220
	Foreign Nationals	2	3,323	3,323	0.0008	NA	NA	3,323
	Hindu Undivided Family	1,115	207,896	207,896	0.0519	NA	NA	207,896
	Non Resident Indians (Non Repat)	451	281,741	281,741	0.0703	NA	NA	281,741
	Non Resident Indians (Repat)	773	330,839	330,839	0.0826	NA	NA	330,839
	Clearing Member	170	898,764	898,764	0.2243	NA	NA	898,764
	Bodies Corporate	480	2,763,460	2,763,460	0.6897	NA	NA	2,763,460
	Sub Total (B)(3)	46,179	17,340,958	17,340,958	4.3281	NA	NA	17,340,816
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	46,442	106,197,444	106,197,444	26.5055	NA	NA	106,197,302
C	Total Non-Promoter- Non Public Shareholding							
1	Custodian/DR Holder	0	0	0	0.0000	0	0.0000	0
2	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0.0000	0
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0.0000	0	0.0000	0
	Total	46,455	400,661,316	400,661,316	100	0	0.0000	400,661,174

2. *Our top ten equity shareholders and the number of Equity Shares held by them as on March 31, 2019 is as follows:*

S. No.	Name	No. of Equity Shares (face value of ₹ 10 each)	No. of Equity Shares in demat form	As % of total number of shares
1.	M G George Muthoot	46,551,632	46,551,632	11.6187%
2.	George Alexander Muthoot	43,630,900	43,630,900	10.8897%
3.	George Jacob Muthoot	43,630,900	43,630,900	10.8897%
4.	George Thomas Muthoot	43,630,900	43,630,900	10.8897%
5.	Susan Thomas	29,985,068	29,985,068	7.4839%

S. No.	Name	No. of Equity Shares (face value of ₹ 10 each)	No. of Equity Shares in demat form	As % of total number of shares
6.	George M Jacob	15,050,000	15,050,000	3.7563%
7.	Elizabeth Jacob	14,935,068	14,935,068	3.7276%
8.	Anna Alexander	14,935,068	14,935,068	3.7276%
9.	Sara George	13,519,336	13,519,336	3.3743%
10.	Eapen Alexander	7,525,000	7,525,000	1.8781%
	TOTAL	273,393,872	273,393,872	68.2356%

3. *The list of top ten debenture holders* as on March 31, 2019 is as follows:*

S. No.	Name of holder	Aggregate amount (in ₹ million)
1	Reliance Capital Trustee Co Ltd	9508.10
2	SBI Mutual Fund	8714.73
3	ICICI prudential mutual fund	5500.00
4	HDFC Trustee Company Ltd	5415.00
5	Kotak Mahindra Trustee Co. Ltd.	3165.00
6	DSP Credit Risk Fund	3000.00
7	Army Group Insurance Fund	1450.00
8	Axis Mutual Fund Trustee Limited	1400.00
9	Indian Oil Corporation Ltd (Refineries Division) Employees Provident Fund	1152.00
10	Indian Bank	1000.00

**on cumulative basis*

4. *Debt to equity ratio*

The debt to equity ratio prior to this Issue is based on a total outstanding debt of ₹ 251,095.35 million and shareholder funds amounting to ₹ 92,782.28 million as on December 31, 2018. The debt equity ratio post the Issue, (assuming subscription of NCDs aggregating to ₹ 40,000 million) would be 3.14 times, based on a total outstanding debt of ₹ 291,095.35 million and shareholders funds of ₹ 92,782.28 million as on December 31, 2018.

<i>(in ₹ million)</i>		
Particulars	Prior to the Issue (as of December 31, 2018)	Post the Issue#
Debt Securities	79,032.11	119,032.11*
Borrowings (other than debt securities)	167,364.74	167,364.74
Subordinated Liabilities	4,698.50	4,698.50
Total Debt	251,095.35	291,095.35
Equity		
- Equity Share Capital	4,005.83	4,005.83
- Other Equity	88,776.45	88,776.45
Total Shareholders' Funds	92,782.28	92,782.28

Particulars	Prior to the Issue (as of December 31, 2018)	Post the Issue#
Debt Equity Ratio (No. of Times)#	2.71	3.14

The debt-equity ratio post the Issue is indicative and is on account of total outstanding debt and shareholders funds as on December 31, 2018 and an assumed inflow of ₹ 40,000.00 million from the issue as mentioned in the Shelf prospectus and does not include contingent and off-balance sheet liabilities. The Company had recently raised ₹ 7,094.57 million via the Tranche 1 Prospectus Dated 05 February, 2019 and the Company intends to raise ₹ 10,000.00 million via Tranche 2 Prospectus. The actual debt-equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.

* Issue amount of ₹ 40,000.00 million is classified under Debt Securities.

5. The aggregate number of securities of the Company that have been purchased or sold by the Promoter Group, Directors of the Company and their relatives within 6 months immediately preceding the date of the Tranche II Prospectus is as below:

Particulars	No of securities	Amount (in ₹ million)
By Promoter--Number of non-convertible debentures sold	72,100	72.06
By Promoter--Number of non-convertible debentures purchased	10,00,260	1000.26

It is clarified that no other securities including shares of the Company were either purchased or sold by the Promoter Group, Directors of the Company and their relatives within 6 months immediately preceding the date of this Tranche II Prospectus.

6. We confirm that no securities of our Subsidiary have been purchased or sold by the Promoter Group, Directors of the Company and their relatives within 6 months immediately preceding the date of this Tranche II Prospectus.

7. **ESOP Scheme**

The shareholders' of the Company in their meeting dated September 27, 2013 have given their approval for issuance of employee stock options. Pursuant to the aforesaid approval, the Board (which includes duly authorised committee by the Board) has approved the 'Muthoot ESOP 2013' scheme. The Company has obtained in principal approval of the stock exchanges where the share capital of the Company is listed i.e. BSE and NSE for listing upto 11,151,383 equity shares of face value of Rs. 10/- each on exercise of the employee stock options by the eligible employees from time to time who are in receipt of grants made by the Board.

- **Our Business**

Our Gold Loan portfolio as of December 31, 2018 comprised approximately 8.05 million loan accounts in India that we serviced through 4,422 branches across 23 states, the national capital territory of Delhi and five union territories in India. As of December 31, 2018 we employed 24,063 persons in our operations. As of December 31, 2018, we operate 218 ATMs spread across 17 states.

As of December 31, 2018, our portfolio of outstanding gross Gold Loans under management was ₹ 317,939.43 million and approximately 165.73 tons, of gold jewelry was held by us as security for our Gold Loans.

As of December 31, 2018, our branch network stood at 4,422 branches, comprising 746 branches in northern India, 2,701 branches in southern India, 696 branches in western India and 279 branches in eastern India covering 23 states, the national capital territory of Delhi and five union territories in India.

As of December 31, 2018, the south Indian states of Tamil Nadu, Kerala, Andhra Pradesh, Karnataka, Telangana and the Union Territory of Pondicherry and Andaman and Nicobar Islands constituted 48.93% of our total Gold Loan portfolio.

We also rely on bank loans and subordinated debt instruments as our sources of funds. As of March 31, 2018, we had 8,769.48 million in outstanding Muthoot Gold Bonds and ₹ 203,910.27 million in other borrowings.

Changes in Asset Classification & Provision Policy from Financial Year 2019 under IND AS

With the introduction of Ind AS from April 1, 2018, our Company started recognising provisions based on expected credit loss model (“ECL”). The basis of provisioning may be significantly different between the Ind AS and Indian GAAP. ECL is a probability-weighted estimate of credit losses. A credit loss is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive discounted at the original effective interest rate. Because ECL consider the amount and timing of payments, a credit loss arises even if the entity expects to be paid in full but later than when contractually due.

Stage 1 includes financial instruments that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month expected credit losses are recognised. 12-month ECL are the expected credit losses that result from default events that are possible within 12 months after the reporting date. It is not the expected cash shortfalls over the 12-month period but the entire credit loss on an asset weighted by the probability that the loss will occur in the next 12 months (“Stage 1”).

Stage 2 includes financial instruments that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. For these assets, lifetime ECL are recognised. Lifetime ECL are the expected credit losses that result from all possible default events over the expected life of the financial instrument. Expected credit losses are the weighted average credit losses with the probability of default as the weight (“Stage 2”).

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. For these assets, lifetime ECL are recognised (“Stage 3”).

The table below sets out the details on the Company's Stage 3 Assets as at December 31, 2018:

(Rs.in million)

	For the Nine months ended December 31, 2018
Loan Assets (Principal Amount)	324,704.12
Stage 3 Loan Assets	6,371.53
Stage 3 ECL Provision	1,019.93
Net Stage 3 Loan Assets	5,351.60
Net Loan Assets (Principal Amount)	318,869.35
% Stage 3 Loan Assets on Loan Assets (Principal Amount)	1.96%
% Net Stage 3 Loan Assets on Loan Assets (Principal Amount)	1.65%
% Stage 3 ECL Provision on Stage 3 Loan Assets(Provision Coverage Ratio)	16.01%
Stage 1 & 2 ECL Provision	4,814.84

A summary of our key operational and financial parameters as at and for the nine months ended December 31, 2018 are as follows:

(Rs in millions)

Particulars	Nine months ended
	December 31, 2018
Equity	92,782.28
Total Borrowings of which-	251,095.35
Debt securities	79,032.11
Borrowings(other than debt securities)	167,364.74
Subordinated Liabilities	4,698.50
Property, Plant and Equipment	1,868.44
Other Intangible assets	63.31
Financial Assets	355,610.87
Non- Financial Assets	2,851.84
Cash and Cash Equivalents	11,331.66
Bank Balances other than cash and cash equivalents	331.49
Financial Liabilities	262,399.73
Non- Financial Liabilities	3,280.70
Loan Assets	332,337.95
Loan Assets(Principal Amount)	324,704.12
Interest Income	49,251.27
Finance Costs	16,257.94
Impairment on Financial Instruments	70.96
Profit After Tax	14,606.42
% Stage 3 Loan Assets on Loan Assets(Principal Amount)	1.96%
% Net Stage 3 Loan Assets on Loan Assets(Principal Amount)	1.65%

CRAR - Tier I Capital Ratio(%)	25.22%
CRAR - Tier II Capital Ratio(%)	0.52%

Debt Equity Ratio of the company

Before the issue of debt securities as at December 31, 2018	2.71
After the issue of debt securities*	3.14

* The debt-equity ratio post the Issue is indicative and is on account of total outstanding debt and shareholders funds as on December 31, 2018 and an assumed inflow of ₹ 40,000.00 million from the issue as mentioned in the Shelf prospectus and does not include contingent and off-balance sheet liabilities. The Company had recently raised ₹ 7,094.57 million via the Tranche 1 Prospectus Dated 05 February, 2019 and the Company intends to raise ₹ 10,000.00 million via Tranche 2 Prospectus. The actual debt-equity ratio post the Issue would depend upon the actual position of debt and equity on the date of allotment.

• Our Management

Details relating to Directors

Name, Designation, and DIN	Age	Nationality	Date of Appointment	Address	Other Directorships
George Muthoot Age: 66 years Whole Time Director Director's Identification Number: 00018235	Jacob	Indian	April 01, 2010	Muthoot House House No. TC/4/25154 Marappalam, Pattom P. O. Thiruvananthapuram Kerala 695 004	1. Muthoot Leisure and Hospitality Services Private Limited 2. Muthoot Infopark Private Limited 3. Muthoot Insurance Brokers Private Limited 4. Muthoot Forex Limited 5. M G M Muthoot Medical Centre Private Limited 6. Muthoot Marketing Services Private Limited 7. Muthoot Broadcasting Private Limited 8. Marari Beach Resorts Private Limited 9. Muthoot Developers Private Limited 10. Muthoot Securities Limited 11. Muthoot Commodities Limited 12. Adams Properties Private Limited 13. Oxbow Properties Private Limited 14. Muthoot M George Institute of Technology 15. Muthoot Anchor House Hotels Private Limited 16. Geobros Properties and Realtors Private Limited 17. Muthoot Health Care Private Limited 18. Muthoot Global Money Transfers Private Limited 19. Muthoot M. George Real Estate Private Limited 20. Muthoot Money Private Limited
George Joseph Age: 69 years Independent Director Director's Identification Number: 00253754		Indian	July 21, 2010	Melazhakath Idukki district Kerala 685 591	Arakkulam 1. Wonderla Holidays Limited 2. Credit Access Grameen Limited 3. ESAF Small Finance Bank Limited 4. Muthoot Asset Management Private Limited

Name, Designation, Age and DIN	Nationality	Date of Appointment	Address	Other Directorships
Pamela Anna Mathew Age: 68 years Independent Director Director Identification Number: 00742735	Indian	November 05, 2014	OEN House, Tripunitura Road, Vytilla- 19	1. OEN India Ltd 2. GTN Textiles Limited 3. Patspin India Ltd 4. Geomaths Stocks and Shares Trading Private Limited

Debenture/Subordinated Debt holding of Directors:

Details of the debentures/subordinated debts held in our Company by our Directors, as on March 31, 2019 are provided below:

The details of secured non-convertible debentures of the face value of ₹ 1,000 each held by the directors of the Company is set out below:

Name of Director	Number of Secured non convertible debentures	Amount (in ₹ Million)
GEORGE ALEXANDER MUTHOOT	377900	377.90
GEORGE JACOB MUTHOOT	200000	200.00
M G GEORGE MUTHOOT	200000	200.00
GEORGE THOMAS MUTHOOT	200000	200.00
ALEXANDER M GEORGE	120000	120.00

The details of subordinated debts of the face value of ₹ 1,000 each held by the directors of the Company is nil.

Shareholding of Directors

As per our Articles of Association, our Directors are not required to hold any qualification Equity Shares in the Company.

Details of the shares held in our Company by our Directors, as on March 31, 2019 are provided in the table given below:

S. No.	Name of Director	No. of Shares	Percentage Shareholding(%) in the total Share Capital
1.	M.G. George Muthoot	46,551,632	11.62
2.	George Thomas Muthoot	43,630,900	10.89
3.	George Jacob Muthoot	43,630,900	10.89
4.	George Alexander Muthoot	43,630,900	10.89
5.	Alexander M George	6,772,500	1.69
6.	George Joseph	1,134	Negligible
Total		184,217,966	45.98

Our Directors do not hold any shares (voting rights) in any subsidiary or associate company of the Company.

Corporate Governance

Following committees were reconstituted after the filing of the Shelf Prospectus dated February 05, 2019

Nomination and Remuneration Committee

The Nomination and Remuneration Committee was reconstituted by our Directors by a board resolution dated April 05, 2019 and comprises of the following directors:

Name of the Director	Designation in the Committee	Nature of Directorship
John K Paul	Chairman	Independent Director
Jacob Benjamin Koshy	Member	Independent Director
Jose Mathew	Member	Independent Director

Terms of reference of the Nomination and Remuneration Committee include the following:

- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with Criteria as laid down and recommend to Board their appointment and removal.
- Ensure persons proposed to be appointed on the Board do not suffer any disqualifications for being appointed as a director under the Companies Act, 2013.
- Ensure that the proposed appointees have given their consent in writing to the Company;
- Review and carry out every Director's performance, the structure, size and composition including skills, knowledge and experience required of the Board compared to its current position and make recommendations to the Board with regard to any changes;
- Plan for the succession planning for directors in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Board in the future;
- Be responsible for identifying and nominating for the approval of the Board, candidates to fill board vacancies as and when they arise;
- Keep under review the leadership needs of the organization, both executive and non-executive, with a view to ensuring the continued ability of the organization to compete efficiently in the market place; and
- Ensure that on appointment to the Board, non-executive directors receive a formal letter of appointment setting out clearly what is expected of them in terms of committee services and involvement outside board meetings
- Determine and agree with the Board the framework for broad policies for criteria for determining qualifications, positive attitudes and independence of a director and recommend to the Board policies, relating to remuneration for the Directors, Key Managerial Personnel and other employees.
- Review the on-going appropriateness and relevance of the remuneration policy.
- Ensure that contractual terms of the agreement that Company enters into with Directors as part of their employment in the Company are fair to the individual and the Company.
- Ensure that all provisions regarding disclosure of remuneration and Remuneration Policy as required under the Companies Act, 2013 or such other acts, rules, regulations or guidelines are complied with.
- Formulate ESOP plans and decide on future grants.
- Formulate terms and conditions for a suitable Employee Stock Option Scheme and to decide on followings under Employee Stock Option Schemes of the Company:

- a) the quantum of option to be granted under ESOP Scheme(s) per employee and in aggregate;
 - b) the condition under which option vested in employees may lapse in case of termination of employment for misconduct;
 - c) the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;
 - d) the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - e) the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
 - f) the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of rights issues, bonus issues and other corporate actions;
 - g) the grant, vest and exercise of option in case of employees who are on long leave; and
 - h) the procedure for cashless exercise of options.
- Any other matter, which may be relevant for administration of ESOP Scheme including allotment of shares pursuant to exercise of options from time to time.

CSR & Business Responsibility Committee

The CSR & Business Responsibility Committee was re- constituted by our Directors by a board resolution dated April 05, 2019 and comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Jose Mathew	Chairman	Independent Director
John K Paul	Member	Independent Director
George Alexander Muthoot	Member	Managing Director

Terms of reference of the CSR & Business Responsibility Committee include the following:

- To do all acts and deeds as required under Section 135 of Companies Act, 2013 read with Relevant Rules;
- To approve, adopt and alter the Policy Documents for CSR & Business Responsibility Committee activities of the Company;
- To supervise, monitor and Direct CSR & Business Responsibility Committee activities of the Company and approving Budgets, sanctioning the amount required for various CSR and Business Responsibility Activities;
- To authorize or delegate any of its power for administration purposes/expenses related to day to day activities of Company for CSR and Business Responsibility to any member of the Committee;
- To review CSR and Business Responsibility activities of the Company on a regular basis as decided by the Committee on basis of CSR and Business Responsibility policy and other guidelines as adopted by the Committee; and
- To do all acts and deeds as required for the purpose of Business Responsibility reporting and required supervision, monitoring and direction.

Risk Management Committee

Risk Management Committee was reconstituted by our directors by a board resolution dated April 05, 2019 and comprises of the following directors:

Name of the Director	Designation in the Committee	Nature of Directorship
George Joseph	Chairman	Independent Director
Jose Mathew	Member	Independent Director
George Alexander Muthoot	Member	Managing Director

The Risk Management Committee shall have overall responsibility for overseeing the risk management activities of the Company, approving appropriate risk management procedures and measurement methodologies across the

organization as well as identification and management of strategic business risks. Terms of reference of Risk Management Committee includes the following:

- To champion and promote the enterprise risk management and to ensure that the risk management process and culture are embedded throughout the Company.
- To ensure the implementation of the objectives outlined in the Risk Management Policy and compliance with them.
- To provide adequate information to the Board on key risk management matters.
- To identify new strategic risks including corporate matters. E.g. Regulatory, business development etc.
- To monitor and manage the operational risks arising from IT applications.
- Oversight of the Information Security Officers/ Team
- To oversee the processes for preventing, detecting, analysing and responding to information security incidents.

• Our Promoters

Shareholding Pattern of our Promoters as on March 31, 2019

S. No.	Name of the Shareholder	Total No. of Equity Shares*	Percentage of shareholding(%) to the total share capital of our Company	No. of Shares pledged	Percentage of Shares pledged
1.	M.G. George Muthoot	46551632	11.62	-	-
2.	George Thomas Muthoot	43630900	10.89	-	-
3.	George Jacob Muthoot	43630900	10.89	-	-
4.	George Alexander Muthoot	43630900	10.89	-	-
Total		177,444,332	44.29	-	-

*All Equity Shares held by the Promoters are in dematerialised form.

• Disclosures on existing financial indebtedness

A. Details of Secured Borrowings:

Our Company's principal amount of secured borrowings as on March 31, 2019 amount to ₹ 210,290.49 million. The details of the individual borrowings are set out below:

1. Cash Credit facilities availed by the Company

(₹ in millions)

S. No.	Bank	Date of Sanction	Amount sanctioned	Principal outstanding as on March 31, 2019 (Excludes interest accrued, if any)
1.	Dhanalaxmi Bank Limited	November 23, 2018	400.00	384.83
2.	Indus Ind Bank Limited	October 31, 2018	1000.00	226.09
3.	IDBI Bank Limited	October 30, 2018	1,000.00	917.90
4.	Axis Bank Limited	October 04, 2018	750.00	640.40
5.	Union Bank of India	July 16, 2018	6000.00	5982.54
6.	Syndicate Bank	March 21, 2019	2,000.00	1855.48
7.	Kotak Mahindra Bank Limited	January 21, 2019	350.00	184.84
8.	Punjab National Bank	September 02, 2017	1,000.00	892.92
9.	Andhra Bank	March 20, 2018	7000.00	6987.43

10.	UCO Bank Limited	September 15,2017	4100.00	4060.98
11.	Punjab and Sind Bank	June 29,2017	1,000.00	991.88
12.	Oriental Bank of Commerce	November 02,2017	6,000.00	5873.83
13.	State Bank of India	February 06,2019	100.00	87.33
14.	HDFC Bank Limited	June 29,2017	220.00	114.67
15.	Federal Bank Limited	November 01,2018	400.00	345.23
16.	Bank of Baroda	August 01,2017	50.00	0.00
17.	Karur Vysya Bank	March 03,2017	1000.00	983.39
TOTAL			32,370.00	30,529.74

All the facilities obtained above have been secured by a first pari passu floating charge on current assets, book debts, loans and advances and receivables including gold loan receivables.

2. **Short Term Loans availed by the Company***

(₹ in millions)

S. No.	Bank	Date of sanction	Amount sanctioned	Principal outstanding as on March 31, 2019 (Excludes interest accrued, if any)
1.	HDFC Bank Limited	June 29, 2017	6,030.00	6,000.00
2.	Axis Bank Limited	May 17, 2017	3,000.00	3,000.00
3.	Yes Bank Limited	October 17, 2017	5,000.00	0.00
4.	Punjab National Bank	September 02, 2017	5,000.00	5,000.00
5.	Kotak Mahindra Bank Limited	January 21,2019	4,650.00	4,500.00
6.	ICICI Bank Limited	November 05,2018	10,000.00	10,000.00
7.	ICICI Bank Limited-2	January 30,2019	5,000.00	5,000.00
8.	Syndicate Bank	March 21,2019	10,500.00	9,500.00
9.	Canara Bank	December 07, 2018	1,500.00	1,500.00
10.	State Bank of India	February 06,2019	9900.00	9900.00
11.	Dena Bank	January 22,2018	2,500.00	0.00
12.	Corporation Bank	October 29,2018	4,000.00	4,000.00
13.	IDBI Bank Limited	October 30,2018	4,000.00	4,000.00
14.	United Bank of India	August 16, 2018	3,500.00	3,500.00
15.	Federal Bank Limited	November 01, 2018	4,250.00	4,250.00
16.	Bank of Baroda	August 01, 2017	4,950.00	4,950.00
17.	Central Bank of India	September 17, 2018	6,000.00	4,000.00
18.	UCO Bank	September 15, 2017	1,900.00	1,900.00
19.	South Indian Bank	March 19, 2018	2,000.00	2,000.00
20.	Vijaya Bank	March 07, 2018	2,000.00	2,000.00
21.	Indus Ind Bank Limited	October 31, 2018	6,000.00	6,000.00
22.	Bajaj Finance Limited	August 02, 2018	1,250.00	1,250.00
TOTAL			1,02,930.00	92,250.00

All the facilities obtained above have been secured by a first pari passu floating charge on current assets, book debts, loans and advances and receivables including gold loan receivables.

3. *Long term loans availed by the Company**

These long term loans have been considered as term loans for the purpose of Rule 5(3) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. There have been no defaults or rescheduling in any of the loans set out below:

S. No.	Bank	Date of sanction	Amount sanctioned (₹ in millions)	Principal outstanding as on March 31, 2019 (Excludes interest accrued, if any (₹ in millions)	Repayment schedule and Pre-payment penalty, if any
1.	State Bank of India(a)	February 06, 2019	7000.00	7000.00	Repayable in 12 equal quarterly installments for 36 months
2.	Muthoot Vehicle & Asset Finance Ltd(b)	March 17, 2018	2.56	1.79	Repayable in monthly installments for 36 months
3.	Muthoot Vehicle & Asset Finance Ltd(b)	August 28, 2018	5.43	4.99	Repayable in monthly installments for 60 months
4.	Muthoot Vehicle & Asset Finance Ltd(b)	October 26, 2018	2.76	2.61	Repayable in monthly installments for 60 months
5.	Muthoot Vehicle & Asset Finance Ltd(b)	March 20, 2019	1.80	1.80	Repayable in monthly installments for 60 months
TOTAL			7012.55	7011.19	
*(a) Secured by first pari passu floating charge on current assets, book debts, loans and advances and receivables including gold loan receivables.					
*(b) Secured by specific charge on vehicles.					

4. *Overdraft against deposits with Banks*

Our Company has overdraft facility on the security of fixed deposits maintained with banks aggregating to ₹ 1.84 million as on March 31, 2019

5. *Secured Non-Convertible Debentures*

5.1 Our Company has issued to retail investors on private placement basis, secured redeemable non- convertible debentures of face value of ₹ 1,000.00 each under various series of which ₹ 5350.74 million is cumulatively outstanding as on March 31, 2019, the details of which are set forth below:

Debenture series	Tenor period of maturity	Coupon / Effective Yield (in percentage %)	Principal Amounts outstanding as on March 31, 2019 (Excludes interest accrued, if any (₹ in millions)	Dates of Allotment	Redemption Schedule	Date/
AV	60 months	10.50-11.00	0.01	April 01, 2007 to June 30, 2007	April 01, 2012 to June 30, 2012	to
AW	60 months	10.50-11.00	0.21	July 01, 2007 to September 30, 2007	July 01, 2012 to September 30, 2012	to
AX	60 months	10.50-11.00	0.11	October 01, 2007 to December 31, 2007	October 01, 2012 to December 31, 2012	to
AY	60 months	10.50-11.00	0.05	January 01, 2008 to March 31, 2008	January 01, 2013 to March 31, 2013	to
AZ	60 months	10.50-11.00	0.37	April 01, 2008 to July 02, 2008	April 01, 2013 to July 02, 2013	to
BB	60 months	11.00-11.50	0.08	July 10, 2008 to September 21, 2008	July 10, 2013 to September 21, 2013	to
BC	60 months	11.00-12.00	0.29	September 22, 2008 to December 31, 2008	September 22, 2013 to December 31, 2013	to
BD	60 months	11.00-12.00	2.61	January 01, 2009 to March 31, 2009	January 01, 2014 to March 31, 2014	to
BE	60 months	10.50-11.50	0.05	April 01, 2009 to June 30, 2009	April 01, 2014 to June 30, 2014	to

Debt series	Tenor period of maturity	Coupon / Effective Yield (in percentage %)	Principal Amounts outstanding as on March 31, 2019 (Excludes interest accrued, if any) (₹ in millions)	Dates of Allotment	Redemption Schedule	Date/
BF	60 months	10.50	1.37	July 01, 2009 to September 30, 2009	July 01, 2014 to September 30, 2014	
BG	60 months	9.50-10.50	0.78	October 01, 2009 to December 31, 2009	October 01, 2014 to December 31, 2014	
BH	60 months	9.00-10.50	1.90	January 01, 2010 to March 31, 2010	January 01, 2015 to March 31, 2015	
BI	60 months	9.00-10.50	0.80	April 01, 2010 to June 30, 2010	April 01, 2015 to June 30, 2015	
BJ	60 months	9.50-11.00	2.90	July 01, 2010 to September 30, 2010	July 01, 2015 to September 30, 2015	
BK	60 months	9.50-11.50	2.06	October 01, 2010 to December 31, 2010	October 01, 2015 to December 31, 2015	
BL	60 months	10.00-11.50	4.08	January 01, 2011 to March 31, 2011	January 01, 2016 to March 31, 2016	
BM	60 months	11.00-12.00	2.65	April 01, 2011 to June 30, 2011	April 01, 2016 to June 30, 2016	
BN	60 months	11.00-12.00	4.77	July 01, 2011 to September 18, 2011	July 01, 2016 to September 18, 2016	
BO	60 months	11.00-12.00	5.11	September 19, 2011 to November 30, 2011	September 19, 2016 to November 30, 2016	
BP	60 months	11.50-12.50	4.47	December 01, 2011 to January 22, 2012	December 01, 2016 to January 22, 2017	
BQ	60 months	11.50-12.50	5.02	January 23, 2012 to February 29, 2012	January 23, 2017 to February 28, 2017	
BR	60 months	11.50-12.50	13.21	March 01, 2012 to April 30, 2012	March 01, 2017 to April 30, 2017	
BS	60 months	11.50-12.50	4.70	May 01, 2012 to May 20, 2012	May 01, 2017 to May 20, 2017	
BT	60 months	11.50-12.50	5.61	May 21, 2012 to June 30, 2012	May 21, 2017 to June 30, 2017	
BU	60 months	11.50-12.50	6.46	July 01, 2012 to August 16, 2012	July 1, 2017 to August 16, 2017	
BV	60 months	11.50-12.50	12.29	August 17, 2012 to September 30, 2012	August 17, 2017 to September 30, 2017	
BW	60 months	11.50-12.50	18.92	October 01, 2012 to November 25, 2012	October 01, 2017 to November 25, 2017	
BX	60 months	10.50-12.50	12.26	November 26, 2012 to January 17, 2013	November 26, 2017 to January 17, 2018	
BY	120 months	10.50-12.50	907.86	January 18, 2013 to February 28, 2013	January 18, 2023 to February 28, 2023	
BZ	120 months	10.50-12.50	1231.01	March 01, 2013 to April 17, 2013	March 01, 2023 to April 17, 2023	
CA	120 months	10.50-12.50	1492.66	April 18, 2013 to June 23, 2013	April 18, 2023 to June 23, 2023	
CB	120 months	10.50-12.50	712.57	June 24, 2013 to July 07, 2013	June 24, 2023 to July 07, 2023	
CC	120 months	10.50-12.50	17.50	July 08, 2013 to July 31, 2013	July 08, 2023 to July 31, 2023	
CD	120 months	10.50-12.50	7.50	July 31, 2013 to August 10, 2013	July 31, 2023 to August 10, 2023	
CE	120 months	10.50-12.50	23.50	August 12, 2013 to August 31, 2013	August 12, 2023 to August 31, 2023	
CF	120 months	10.50-12.50	7.50	August 31, 2013 to September 06, 2013	August 31, 2023 to September 06, 2023	
CG	120 months	10.50-12.50	10.00	September 06, 2013 to September 27, 2013	September 06, 2023 to September 27, 2023	
CH	120 months	10.50-12.50	25.00	September 27, 2013 to October 09, 2013	September 27, 2023 to October 09, 2023	
CI	120 months	10.50-12.50	25.00	October 09, 2013 to October 29, 2013	October 09, 2023 to October 29, 2023	
CJ	120 months	10.50-12.50	7.50	October 29, 2013 to November 18, 2013	October 29, 2023 to November 18, 2023	

Debenture series	Tenor period of maturity	Coupon / Effective Yield (in percentage %)	Principal Amounts outstanding as on March 31, 2019 (Excludes interest accrued, if any) (₹ in millions)	Dates of Allotment	Redemption Schedule	Date/
CK	120 months	10.50-12.50	5.00	November 18,2013 to December 05,2013	November 18,2023 to December 05,2023	
CL	120 months	10.50-12.50	11.00	December 05,2013 to December 24,2013	December 05,2023 to December 24,2023	
CM	120 months	10.50-12.50	32.50	December 24,2013 to January 03,2014	December 24,2023 to January 03,2024	
CN	120 months	10.50-12.50	63.50	January 03,2014 to January 10,2014	January 03,2024 to January 10,2024	
CO	120 months	10.50-12.50	107.50	January 10,2014 to January 20,2014	January 10,2024 to January 20,2024	
CP	120 months	10.50-12.50	58.00	January 20,2014 to February 04,2014	January 10,2024 to February 04,2024	
CQ	120 months	10.50-12.50	13.00	February 04,2014 to February 07,2014	February 04,2024 to February 07,2024	
CR	120 months	10.50-12.50	10.00	February 07,2014 to February 27,2014	February 07,2024 to February 27,2024	
CS	120 months	10.50-12.50	17.50	February 27,2014 to March 14,2014	February 27,2024 to March 14,2024	
CT	120 months	10.50-12.50	7.50	March 14,2014 to March 31,2014	March 14,2024 to March 31,2024	
CU	120 months	10.50-12.50	7.50	March 31,2014 to March 31,2014	March 31,2024 to March 31,2024	
CV	60months	10.00-12.00	12.50	April 24,2014	April 24,2019	
CW	60months	10.00-12.00	9.50	May 8,2014	May 8,2019	
CZ	60 months	9.25-9.50	415.00	May 4,2016	May 4,2021	
TOTAL			5350.74			

* All the above debentures are unrated. These debentures are secured by first pari-passu floating charge on current assets, book debts, loans & advances and receivables including gold loan receivables and identified immovable properties.

Of the above, ₹ 113.13 million represents unpaid matured debentures.

5.2 Our Company made a public issue of secured rated non-convertible debentures listed in BSE and/or NSE for a maturity period of 2, 3, 5, 6 years, 66 months, 400 days, 18 months and 38 months with an outstanding of Rs.69396.98 million as provided below:*

Debenture Series	Tenor period of maturity	Coupon / Effective Yield (in percentage %)	Principal Amounts outstanding as on March 31,2019(Excludes interest accrued, if any) (Rs. in millions)	Date of Allotment	Redemption Schedule	Date/
PL-VIII**	5 years	11.00-11.50	13.01	April 02, 2014	April 02, 2019	
PL-IX**	5 years	11.00-11.50	79.61	July 04, 2014	July 04, 2019	
PL-X**	5 years	11.00-11.25	62.76	September 26, 2014	September 26, 2019	
PL-XI**	5 Years	10.75-11.00	70.52	December 29, 2014	December 29, 2019	
PL-XII**	5 years	10.25-10.50	60.01	April 23,2015	April 23,2020	
PL-XIII**	5 years	9.50-9.75	31.97	October 14, 2015	October 14, 2020	
PL-XIV***	5 years	9.25-9.50	27.61	January 20, 2016	January 20, 2021	
PL-XV**	3 years	9.50-9.75	3022.39	May 12, 2016	May 12, 2019	
PL-XV**	5 years	9.00-9.25	30.09	May 12, 2016	May 12, 2021	
PL-XVI**	3 years	9.00-9.25	8829.01	January 30, 2017	January 30, 2020	
PL-XVI*	5 years	9.00-9.25	936.30	January 30, 2017	January 30, 2022	
PL-XVII*	2 years	8.25-8.50	1350.36	April 24, 2017	April 24, 2019	
PL-XVII*	38 months	8.50-8.75	15271.39	April 24, 2017	June 24, 2020	
PL-XVII*	5 years	8.75-9.00	2517.38	April 24, 2017	April 24, 2022	
PL-XVIII*	2 years	8.25-8.50	924.00	April 19, 2018	April 19, 2020	
PL-XVIII*	38 months	8.50-8.75	19092.87	April 19, 2018	June 19, 2021	
PL-XVIII*	5 years	8.75-9.00	9839.02	April 19, 2018	April 19, 2023	

Debenture Series	Tenor period of maturity	Coupon / Effective Yield (in percentage %)	Principal Amounts outstanding as on March 31, 2019 (Excludes interest accrued, if any) (Rs. in millions)	Date of Allotment	Redemption Schedule	Date/
PL-XVIII*	400 days	8.00	144.11	April 19, 2018	April 24, 2019	
PL-XIX*	2 years	9.25-9.50	1554.12	March 20, 2019	March 20, 2021	
PL-XIX*	38 months	9.50-9.75	3049.06	March 20, 2019	May 20, 2022	
PL-XIX*	5 years	9.75-10.00	2491.39	March 20, 2019	March 20, 2024	
TOTAL			69396.98			

* Above debentures are rated “CRISIL AA/Stable” by CRISIL Limited and “[ICRA] AA/Stable” by ICRA Limited and is fully secured by first pari-passu floating charge on current assets, book debts, loans and advances and receivables including gold loan receivables and identified immovable properties.

** Above debentures are rated “[ICRA] AA/Stable” by ICRA Limited and is fully secured by first pari-passu floating charge on current assets, book debts, loans and advances and receivables including gold loan receivables and identified immovable properties.

*** Above debentures are rated “[CRISIL] AA/Stable” by CRISIL Limited and is fully secured by first pari-passu floating charge on current assets, book debts, loans and advances and receivables including gold loan receivables and identified immovable properties.

5.3 Our Company has issued on private placement basis, rated secured, redeemable non-convertible debentures listed of face value of Rs. 1,000,000.00 each under various series of which Rs. 5750.00 million is outstanding as on March 31 2019, the details of which are set forth below:

Debenture series	Tenor period of maturity	Coupon / Effective Yield (in percentage %)	Principal Amounts outstanding as on March 31, 2019 (Excludes interest accrued, if any) (Rs. in millions)	Date of Allotment	Redemption Schedule	Date/
Series 1*	3Year	9.75	1750.00	July 26, 2018	July 26, 2021	
Series 2*	1Year and 314Days	9.60	2500.00	August 13, 2018	June 22, 2020	
Series 3-A**	2Year and 71Days	9.25	50.00	November 22, 2018	February 01, 2021	
Series 3-A**	2Year and 71Days	9.50	50.00	November 22, 2018	February 01, 2021	
Series 3-A**	3Year and 71Days	9.50	250.00	November 22, 2018	February 01, 2022	
Series 3-A**	3Year and 71Days	9.75	150.00	November 22, 2018	February 01, 2022	
Series 3-B***	2Year and 42Days	9.25	20.00	December 21, 2018	February 01, 2021	
Series 3-B***	2Year and 42Days	9.50	30.00	December 21, 2018	February 01, 2021	
Series 3-B***	3Year and 42Days	9.50	200.00	December 21, 2018	February 01, 2022	
Series 3-B***	3Year and 42Days	9.75	250.00	December 21, 2018	February 01, 2022	
Series 3-C***	2Year and 7Days	9.25	50.00	January 25, 2019	February 01, 2021	
Series 3-C***	3Year and 7Days	9.50	450.00	January 25, 2019	February 01, 2022	
TOTAL			5750.00			

#Re-Issue

*Above debentures are rated “CRISIL AA/Stable” by CRISIL Limited and “[ICRA] AA/Stable” by ICRA Limited and is fully secured by first pari-passu floating charge on current assets, book debts, loans and advances and receivables including gold loan receivables and identified immovable properties

** Above debentures are rated “[ICRA] AA/Stable” by ICRA Limited and is fully secured by first pari-passu floating charge on current assets, book debts, loans and advances and receivables including gold loan receivables and identified immovable properties.

B. Details of Unsecured Loans

Our Company’s principal amount of unsecured borrowings as on March 31, 2019 amount to ₹ 60,163.49 million. The details of the individual borrowings are set out below.

1. **Subordinated Debts**

- 1.1. Our Company has issued subordinated debts of face value of 1,000 each on a private placement basis under different series of which 597.43 million is outstanding as on March 31, 2019, the details of which are set forth below:

Debenture series	Tenor period of maturity	Coupon / Effective Yield (in percentage %)	Principal Amounts outstanding as on March 31, 2019 (Excludes interest accrued, if any) (₹ in millions)	Date of Allotment	Redemption Schedule	Date/
III	69 months	12.12	0.41	December 15, 2008 to June 30, 2009	September 15, 2014 to March 30, 2015	to
III	72 months	12.50	0.23	December 15, 2008 to June 30, 2009	December 15, 2014 to June 30, 2015	to
IV	69 months	12.12	1.44	July 01, 2009 to August 16, 2009	April 01, 2015 to May 16, 2015	to
IV	72 months	12.50	0.05	July 01, 2009 to August 16, 2009	July 01, 2015 to August 16, 2015	to
IV	72 months	11.61	1.18	August 17, 2009 to December 31, 2009	August 17, 2015 to December 31, 2015	to
V	72 months	11.61	0.84	January 01, 2010 to June 30, 2010	January 01, 2016 to June 30, 2016	to
VI	72 months	11.61	1.64	July 01, 2010 to December 31, 2010	July 01, 2016 to December 31, 2016	to
VII	72 months	11.61	0.72	January 01, 2011 to February 07, 2011	January 01, 2017 to February 07, 2017	to
VII	66 months	12.67	1.57	February 08, 2011 to March 31, 2011	August 08, 2016 to September 30, 2016	to
VII	66 months	12.67	1.62	April 01, 2011 to June 30, 2011	October 01, 2016 to December 30, 2016	to
VIII	66 months	12.67	3.35	July 01, 2011 to October 31, 2011	January 01, 2017 to April 30, 2017	to
IX	66 months	12.67-13.39	7.49	November 01, 2011 to March 31, 2012	May 01, 2017 to September 30, 2017	to
X	66 months	12.67-13.39	20.08	April 01, 2012 to September 30, 2012	October 01, 2017 to March 30, 2018	to
XI	66 months	12.67-13.39	40.45	October 01, 2012 to March 31, 2013	April 01, 2018 to September 30, 2018	to
XII	66 months	12.67	50.36	April 01, 2013 to July 07, 2013	October 01, 2018 to January 07, 2019	to
XIII	66 months	12.67	7.50	July 08, 2013 to September 17, 2013	January 08, 2019 to March 17, 2019	to
XIV	66 months	12.67	293.00	September 18, 2013 to December 21, 2013	March 18, 2019 to June 21, 2019	to
XV	66 months	12.67	98.50	December 22, 2013 to February 17, 2014	June 21, 2019 to August 17, 2019	to
XVI	66 months	12.67	46.00	February 18, 2014 to March 31, 2014	August 17, 2019 to September 30, 2019	to
XVII	72 months	11.61	21.00	May 09, 2014	May 09, 2020	
TOTAL			597.43			

* All the above Subordinated Debts are unsecured and unrated.

Of the above, ₹ 138.93 million represents unpaid matured debentures.

- 1.2. Our Company has issued on private placement basis, rated unsecured, redeemable non-convertible listed subordinated debts of face value of ₹ 1,000,000.00 each under various series of which ₹ 100 million is cumulatively outstanding as on March 31, 2019 the details of which are set forth below:

Debenture series	Tenor period of maturity	Coupon / Effective Yield (in percentage %)	Principal Amounts outstanding as on March 31, 2019 (Excludes interest accrued, if any) (₹ in millions)	Date of Allotment	Redemption Schedule	Date/
IA	10 years	12.35	100	March 26, 2013	March 26, 2023	

* Above Subordinated Debts are unsecured and are rated with CRISIL AA/Stable by CRISIL Limited and "[ICRA] AA/Stable" by ICRA Limited.

- 1.3. The Company made a public issue of unsecured rated non-convertible debentures listed in BSE in the nature of Subordinated Debt for a maturity period of 6 years, 75 months, 78 months, 81 months, 84 months, 87 months, 90 months and 96 months with an outstanding of ₹ 3748.98 million as provided below:

Debenture series	Tenor period of maturity	Coupon / Effective Yield (in percentage %)	Principal Amounts outstanding as on March 31, 2019 (Excludes interest accrued, if any (₹ in millions))	Date of Allotment	Redemption Date/Schedule
PL-V*	6 years	12.25	209.74	September 25, 2013	September 25, 2019
PL-VI*	6 Years	12.25	232.88	December 04, 2013	December 04, 2019
PL-VII*	6 Years	12.25	437.57	February 04, 2014	February 04, 2020
PL-VIII**	75 Months	11.70	193.46	April 02, 2014	July 02, 2020
PL-IX**	75 Months	11.70	364.49	July 04, 2014	October 04, 2020
PL-X**	78 Months	11.23	304.36	September 26, 2014	March 26, 2021
PL-XI**	78 Months	11.23	386.54	December 29, 2014	June 29, 2021
PL-XII**	81 Months	10.80	289.15	April 23, 2015	January 23, 2022
PL-XIII**	84 Months	10.41	359.47	October 14, 2015	October 14, 2022
PL-XIV***	87 Months	10.02	230.39	January 20, 2016	April 20, 2023
PL-XV**	90 Months	9.67	236.00	May 12, 2016	November 12, 2023
PL-XVI*	96 Months	9.06	317.76	January 30, 2017	January 30, 2025
PL-XVII*	96 Months	9.06	187.17	April 24, 2017	April 24, 2025
TOTAL			3748.98		

* Above Subordinated Debts are unsecured and are rated with CRISIL AA/Stable by CRISIL Limited and "[ICRA] AA/Stable" by ICRA Limited.

** Above Subordinated Debts are unsecured and are rated with "[ICRA] AA/Stable" by ICRA Limited.

*** Above Subordinated Debts are unsecured and are rated with "[CRISIL] AA/Stable" by CRISIL Limited.

2. **Loan from Directors and Relatives of Directors**

Our Company has borrowed an aggregate ₹ 5711.08 million (principal outstanding) from directors and relatives of directors as on March 31, 2019 which are in the nature of demand loans and are unsecured.

3. **Commercial Papers**

Our Company has issued commercial papers of the face value of ₹ 0.5 million aggregating to a total face value of ₹ 48756.00 million as on March 31, 2019. The details of the commercial papers are set forth below.

S.No	ISIN	Number of instruments	Face Value (₹ in millions)	ISIN Maturity Date
1	INE414G14LC8	6,000	3000.00	June 13, 2019
2	INE414G14HR4	4,500	2250.00	June 21, 2019
3	INE414G14IE0	72	36.00	October 17, 2019
4	INE414G14IF7	180	90.00	October 22, 2019
5	INE414G14II1	149	74.50	October 24, 2019
6	INE414G14IJ9	126	63.00	October 25, 2019
7	INE414G14IK7	152	76.00	October 26, 2019
8	INE414G14IL5	156	78.00	October 29, 2019
9	INE414G14IM3	129	64.50	October 30, 2019
10	INE414G14IN1	124	62.00	October 31, 2019
11	INE414G14IP6	257	128.50	November 2, 2019
12	INE414G14IS0	100	50.00	November 5, 2019
13	INE414G14IU6	260	130.00	November 9, 2019
14	INE414G14IX0	181	90.50	November 13, 2019
15	INE414G14IY8	145	72.50	November 14, 2019

16	INE414G14IZ5	105	52.50	November 19, 2019
17	INE414G14JA6	116	58.00	November 22, 2019
18	INE414G14JB4	121	60.50	November 27, 2019
19	INE414G14JC2	96	48.00	November 29, 2019
20	INE414G14JD0	140	70.00	December 3, 2019
21	INE414G14JG3	136	68.00	December 5, 2019
22	INE414G14JJ7	102	51.00	December 6, 2019
23	INE414G14JM1	105	52.50	December 11, 2019
24	INE414G14JN9	136	68.00	December 14, 2019
25	INE414G14JQ2	102	51.00	December 19, 2019
26	INE414G14JT6	112	56.00	December 24, 2019
27	INE414G14JU4	102	51.00	January 1, 2020
28	INE414G14JV2	164	82.00	January 4, 2020
29	INE414G14JW0	3,000	1500.00	April 8, 2019
30	INE414G14JX8	76	38.00	January 8, 2020
31	INE414G14JY6	4,000	2000.00	April 12, 2019
32	INE414G14JZ3	4,000	2000.00	April 10, 2019
33	INE414G14KA4	102	51.00	January 11, 2020
34	INE414G14KB2	5,000	2500.00	April 16, 2019
35	INE414G14KC0	113	56.50	January 17, 2020
36	INE414G14KD8	162	81.00	January 23, 2020
37	INE414G14KE6	111	55.50	January 25, 2020
38	INE414G14KF3	2,000	1000.00	April 30, 2019
39	INE414G14KG1	6,000	3000.00	May 2, 2019
40	INE414G14KH9	5,000	2500.00	May 3, 2019
41	INE414G14KI7	2,000	1000.00	May 6, 2019
42	INE414G14KJ5	154	77.00	January 30, 2020
43	INE414G14KK3	109	54.50	January 31, 2020
44	INE414G14KL1	136	68.00	February 4, 2020
45	INE414G14KM9	129	64.50	February 6, 2020
46	INE414G14KN7	152	76.00	February 7, 2020
47	INE414G14KO5	151	75.50	February 11, 2020
48	INE414G14KP2	116	58.00	February 13, 2020
49	INE414G14KQ0	5,000	2500.00	May 13, 2019
50	INE414G14KR8	156	78.00	February 14, 2020
51	INE414G14KS6	5,000	2500.00	May 14, 2019
52	INE414G14KT4	103	51.50	February 15, 2020
53	INE414G14KU2	145	72.50	February 20, 2020
54	INE414G14KV0	4,000	2000.00	May 30, 2019
55	INE414G14KW8	29	14.50	February 25, 2020
56	INE414G14KX6	5,000	2500.00	June 3, 2019

57	INE414G14KY4	8,000	4000.00	June 4, 2019
58	INE414G14KZ1	5,000	2500.00	June 6, 2019
59	INE414G14LA2	3,500	1750.00	June 10, 2019
60	INE414G14LD6	4,000	2000.00	June 17, 2019
61	INE414G14LE4	4,000	2000.00	June 18, 2019
62	INE414G14LF1	1,000	500.00	June 28, 2019
63	INE414G14LG9	6,000	3000.00	June 20, 2019
		97,512	48,756.00	

4. **Short Term Loans availed by the Company**

The Company has availed ₹ 1,250.00 million as unsecured short term loan as on March 31, 2019, details of which are given below:

(₹ in millions)

S. No.	Bank	Date of sanction	Amount sanctioned	Principal outstanding as on March 31, 2019 (Excludes interest accrued, if any)	Amount March
1.	HDFC Bank Limited	July 26, 2018	750.00	750.00	
2.	Federal Bank Limited	March 22, 2019	500.00	500.00	
			1,250.00	1,250.00	

C. **Corporate Guarantee**

The Company has issued a corporate guarantee in June 2018 favouring National Housing Bank for their secured fund based credit limit of Rs.250 million extended to the wholly owned subsidiary of the Company, Muthoot Homefin (India) Limited. Other than the above, Company has not issued any corporate guarantees in the last 5 years.

D. **Restrictive Covenants under our Financing Arrangements:**

Some of the corporate actions for which our Company requires the prior written consent of lenders include the following:

1. to declare and/ or pay dividend to any of its shareholders whether equity or preference, during any financial year unless our Company has paid to the lender the dues payable by our Company in that year;
2. to undertake or permit any merger, amalgamation or compromise with its shareholders, creditors or effect any scheme of amalgamation or reconstruction;
3. to create or permit any charges or lien, or dispose off on any encumbered assets;
4. to amend its MOA and AOA;
5. to alter its capital structure, or buy-back, cancel, purchase, or otherwise acquire any share capital;
6. to effect a change of ownership or control, or management of the Company;
7. to enter into long term contractual obligations directly affecting the financial position of the Company;
8. to borrow or obtain credit facilities from any bank or financial institution;

9. to undertake any guarantee obligations on behalf of any other company;
10. to change its practice with regard to the remuneration of Directors;
11. to compound, or realise any of its book debts and loan receivables including gold loan receivables or do anything whereby recovery of the same may be impeded, delayed, or prevented;
12. to enter into any transaction with its affiliates or transfer any funds to any group or associate concern; and
13. to make any major investments by way of deposits, loans, share capital, etc. in any manner.

Additionally, certain lenders have the right to nominate a director on the Board on the occurrence of an event of default at any time during the term of the financial facilities.

E. Servicing behaviour on existing debt securities, payment of due interest on due dates on financing facilities or securities

In the past 5 years preceding the date of this Tranche II Prospectus, there has been no default and / or delay in payment of principal or interest on any existing financing facilities or term loan or debt security including corporate guarantee issued by the Issuer in the past.

F. Details of rest of the borrowings (if any including hybrid debt like FCCB, Optionally Convertible Debenture/ Preference Shares.

NIL

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

NIL

• Pending proceedings and statutory defaults

Litigations against our Company

Civil cases

1. **Paragraph 1 under civil cases on page no. 190 of the Shelf Prospectus shall stand replaced as follows:**

"Selvin Jayakumar, the owner of the branch located at Munnar, Kerala had filed RCOP seeking eviction of the Company from his premises, recovery of amounts towards damages and for use and occupation of the premises. The Company vacated the premises. Subsequently, the Company filed a suit for recovery of the rent advance and the landlord, i.e. Selvin Jayakumar set ex-party. The case has been postponed to 06/06/2019 for trial proceedings."

2. **Paragraph 2 under civil cases on page no. 190 of the Shelf Prospectus shall stand replaced as follows:**

"Sunil Kumar, Anil Kumar and Ajit Kumar, the petitioners, have filed a petition (R.C.O.P. No. 5 of 2012), before the Kollam Rent Controller cum District Munsiff under section 11(3) of the Kerala Buildings (Lease and Rent Control) Act, 1965. The Company had entered into a lease agreement dated January 14, 2005 with the petitioners to rent the property being room No. 1144/47, Ward 24, Kollam for a period of 10 years. The petitioners have instituted this petition for evicting the Company from the leased premises. The matter was posted for hearing on December 18, 2013 and the court had transferred the matter to the mediation centre for settlement and it was posted on April 08, 2014 for hearing. Since the mediation did not result in a settlement, the matter was sent back to the court and an order was passed against the

Company to evict the premises. The Company has filed an appeal against the order along with an interim application to stay the order of the lower court in RCOP NO.5/2012 until the disposal of the appeal, which has been admitted by the court and the court has issued a notice to the opposite party. The Company has obtained a stay order from the High Court against the judgement of rent control appellate court Kollam. RCA.17/2015 has been filed before High Court along with an IA for interim stay. IA has been allowed and interim stay shall stand extended until further orders."

3. **Paragraph 3 under civil cases on page no. 190 of the Shelf Prospectus shall stand replaced as follows:**

"V. Karthik, the plaintiff has filed a suit (O.S. No. 10 of 2011) before the District Court, Trichy, against G. Vijayakumar, S. Ganeshan, and 59 others, including the Company. The suit relates to the schedule property in which the Company is a tenant. The plaintiff has alleged that he is entitled to half of the schedule property and has sought a decree of partition against G. Vijayakumar and S. Ganeshan and a mandatory injunction against the other defendants directing them to pay rent to the plaintiff in respect of his share of the schedule property. The Company has filed an IA to set aside the Ex parte order and the same has been allowed and the case has been listed for evidence on June 07, 2019."

4. **Paragraph 4 under civil cases on page no. 190 and 191 of the Shelf Prospectus shall stand replaced as follows:**

"S. Kalavathi, the plaintiff, has filed a suit (O.S No. 377 of 2012) dated October 17, 2012, before the Court of the Subordinate Judge, Dindigul against Balammal, Sujatha and 11 others, including the Company. The suit relates to the schedule property in which the Company is a tenant. The plaintiff has alleged that she is entitled to one fifth of the schedule property and has sought a decree directing Balammal and Sujatha to partition the property, failing which a commissioner should be appointed to partition the schedule property. The plaintiff has also sought a decree directing the other defendants to deposit the rent amounts payable by them, in the court. An I.A for amending the plaint has been filed and is numbered as 2/2019 and same is posted to 27/04/2019."

5. **Paragraph 5 under civil cases on page no. 191 of the Shelf Prospectus shall stand replaced as follows:**

"Kamaljeet Singh Kumar, the plaintiff has filed a suit (no. 100 of 2008) dated April 23, 2009, before the Additional District Judge, Delhi against the Company, seeking the arrears of rent, mesne profits and costs for alleged damage caused to the property by the Company amounting to INR 911,773. The plaintiff is the owner of property that was leased to the Company. The plaintiff claims that the lease was terminated as the Company stopped making rent payments, but the Company is still in possession of the property and substantial damage has been caused to the property by the plaintiff. The Company in its reply, has contended that it terminated the tenancy vide a communication to the plaintiff dated May 01, 2007 and called upon the plaintiff to take possession of the property. It has stated that the property has been lying vacant and locked since May 31, 2007 as the plaintiff is refusing to take possession of the same. It has also stated that the rent amounts till May 31, 2007 have been paid in full and denied that any damage has been caused by the Company to the property. This matter was posted for hearing on November 15, 2017. The suit no 100 of 2008 was decreed against the Company. The Company has therefore filed an appeal before High Court being RFA 838/2018 & RFA 839/2018 and it has been posted to 18/09/2019 for production of documents."

6. **Paragraph 6 under civil cases on page no. 191 of the Shelf Prospectus shall stand replaced as follows:**

"S. Devendran, the applicant, has filed an application (I.D 34 of 2013) against the Company before the Labour Court at Kollam on April 4, 2013. The applicant had been working as a Branch Manager at the Nellimoodu branch of the Company. He was dismissed from the service for allegedly receiving counterfeit notes in respect of a certain loan repayment, without conducting an enquiry and framing specific charges. The applicant has filed this application for a declaration to the effect that his dismissal from service was irregular and illegal and for being reinstated in service with back wages, continuity in service and all other benefits. Case no. I.D 34 of 2013 was dismissed by Labour Court. A writ petition bearing number W.P (38245/2018) has been filed by the employee before the High Court of Kerala in this regard."

7. **Paragraph 7 under civil cases on page no. 191 of the Shelf Prospectus shall stand deleted.**
8. **Paragraph 8 under civil cases on page no. 191 of the Shelf Prospectus shall stand replaced as follows:**

"The Director, Financial Intelligence Unit, Department of Revenue, Government of India has issued an order bearing No. 1/DIR/FIU-IND/2013 dated February 14, 2013 imposing a fine of Rs 2,69,70,000 under section 13 of the Prevention of Money Laundering Act, 2002 for failing to furnish cash transaction reports for 2,697 cash transactions between the period of April 01, 2006 and November 30, 2010. The Company responded to the Director, Financial Intelligence Unit stating that they had no intention to defy the law and deliberately act in its breach. The Company also raised certain legal grounds of challenge which were not upheld by the Director, Financial Intelligence Unit while passing the final order. Pursuant to this, the Company appealed the said order before the Hon'ble Appellate Tribunal, Prevention of Money Laundering Act at New Delhi in FPA-PMLA-457/DLI/2013 and MP-PMLA-1007/DLI/2014. The Tribunal by way of an order dated July 09, 2015 directed the Company to pay an amount of Rs. 2,44,70,000 within four weeks. The Company has however obtained a stay order from the Delhi High Court through an order dated August 07, 2015 after agreeing to deposit Rs. 50,00,000. The matter has been posted for hearing."

9. **Paragraph 9 under civil cases on page no. 191 of the Shelf Prospectus shall stand replaced as follows:**

"K.V.D. Umamaheswara Rao filed a petition under Order XXI, Rule 58 and Section 47 of CPC against the Company and Kancharla Venkata Murali Krishna, before the Court of the Hon'ble II Additional District Judge at Guntur in O.S. No. 90 of 2011, seeking to set aside the attachment orders passed by the District Judge, Guntur on April 19, 2013 against certain schedule property. The suit has been decreed in the favour of the Company on 2014 July. E.P. proceedings are pending as of date."

Criminal cases

1. **Paragraph 1 under criminal cases on page no. 192 of the Shelf Prospectus shall stand deleted.**
2. **Paragraph 2 under criminal cases on page no. 192 of the Shelf Prospectus shall stand replaced as follows:**

"Vipin Bhola, the complainant in the present matter, has filed a criminal complaint (CC No: 106 of 2012), under sections 406, 467, 468 and 471 of the IPC against the Company and certain employees before the Judicial Magistrate, Gurgaon. The complainant has alleged that he was an agent of the Company and that he has deposited gold ornaments with the Company. The complainant has also alleged that the Company has refused to redeem the ornaments pledged with it against part re-payment of the amount of loan taken by the complainant. This matter has been dismissed. However, the complainant has filed a revision petition and same is pending for preliminary hearing."

Service tax cases

1. **Paragraph 3 under service tax cases on page no. 193 of the Shelf Prospectus shall stand replaced as follows:**

"The Commissioner for Central Excise and Customs, Kochi has issued a show cause notice No. 122/2008/ST dated October 7, 2008 directing our Company to show cause why an amount of ₹ 7.8 million as service tax and penalties under sections 76, 77, and 78 of the Finance Act 1994 had not been paid by the Company. The Commissioner of Central Excise, Customs and Service Tax, passed an order dated November 30, 2009, confirming the recovery of tax and penalty imposed on our Company and further imposed a penalty of ₹ 200 for every day of failure to pay service tax and educational cess or at the rate of 2% of such tax per month whichever is higher subject to a maximum of ₹ 7.8 million and a further penalty of ₹ 1,000 under section 7 of the Finance Act, 1994, a penalty of ₹ 7.8 million under section 78 of the Finance Act. The Company has filed an appeal and a petition seeking stay of the order of the Commissioner of Central Excise, Customs and Service Tax, as ST/482/10 before the Customs, Excise and Service Tax Appellate Tribunal on March 15, 2010. The Customs, Excise and Service Tax Appellate Tribunal, by its order dated October 31, 2011, waived the pre-deposit of balance amounts of dues under

the impugned order and granted a stay on the recovery thereof till the disposal of the appeal, on pre-deposit of ₹ 4 million. The appeal is currently pending."

2. Paragraph 5 under service tax cases on page no. 194 of the Shelf Prospectus shall stand replaced as follows:

"The Commissioner of Central Excise and Customs, Kochi Commissionerate has issued a show cause notice bearing reference no. 194/2012/ST dated October 22, 2012, against the Company to show cause as to why: (i) an amount of ₹ 15.89 million as service tax and an amount of ₹ 0.48 million as educational cess, amounting to ₹ 16.37 million for period 2010-11 to 2011-12 had not been paid by the Company under various provisions of the Finance Act, 1994 on account of providing taxable services (business auxiliary services) under the Finance Act, 1994; (ii) an amount of ₹ 1.70 million inclusive of education cess for the services received from foreign firms has not been paid under various provisions of the Finance Act, 1994; (iii) interest on delayed payment of service tax (including education cess) should not be demanded and recovered under section 75 of the Finance Act, 1994 and the relevant rules thereunder, (iv) penalty should not be imposed under sections 76, 77 and 78 of the Finance Act, 1994 for failure to comply with the provisions of the Finance Act, 1994 and the relevant rules thereunder. The Company has filed its reply to the show cause notice on February 19, 2013 stating that (i) the Company is not liable for payment of service tax for business auxiliary services as the same qualifies as export of service; (ii) the demand regarding payment of service tax for payments made to foreign firms have been included in a previous show cause notice and have been paid towards donations and not services; (iii) the demand for interest on delayed payment of service tax is time barred; and (iv) the Company is not liable for payment of penalty as it has not defaulted under the provisions of the Finance Act, 1994. The Commissioner of Central Excise and Customs, Kochi has issued a consolidated order no. 46 & 47 / 14-15 on December 31, 2014 disposing SCN 194/2012 and 177/2014 stating that the confirmed demand for SCN 194/2012 is ₹ 16,367,194 on Business auxiliary services for the years 2010-11 to 2011-12, and ₹ 1,353,575 on the services imported during the years 2009-10 to 2011-12 with interest under Section 75 of the Finance Act, 1994, the penalty is ₹ 17,720,769 under Section 78 of the Finance Act, 1994 and ₹ 10,000 under Section 77 of the Finance Act, 1994. An amount of ₹ 1,635,271 already paid by the Company before issuing SCN has been appropriated against the demand and interest. On writ petition filed by the Company against the above order, the High Court of Kerala by order dated 4 March 2015 quashed the impugned order and directed the Commissioner to pass fresh order following the decision taken by the Appellate Tribunal in the case of Paul Merchants Ltd Vs. Commissioner of Central Excise, Chandigarh [2013(29) STR 257 (Tri. Del)]. The commissioner has passed fresh order No.04/15-16 dated May 11, 2015 by confirming the demand same as in the original order. On second writ petition, the High Court has directed the company to file appeal before the Appellate Tribunal, without making pre-deposit of tax. The Company filed appeal before the CESTAT, Bangalore on July 31, 2015. The CESTAT in their interim order no. 22 to 36/2016, dated February 17, 2016 decided that pre-deposit as per section 35F of the Central Excise Act, 1944 is to be deposited by the Company within four weeks from the date of the order. A writ petition was been filed by the Company before High Court of Kerala on March 15, 2016, which was subsequently disposed off by the order of the High Court of Kerala dated July 14, 2016 directing the Company to pay pre-deposit amount as per Section 35F of the Central Excise Act, 1944. The Company has paid the pre-deposit using CENVAT credit by communication dated July 26, 2016. The appeal is currently pending."

3. Paragraph 6 under service tax cases on page no. 194 and 195 of the Shelf Prospectus shall stand replaced as follows:

"The Commissioner of Central Excise and Customs, Kochi has issued show cause notice bearing reference no. 199/2012/ST dated October 22, 2012 directing the Company to show cause why: (i) an amount of ₹ 1672.3 million as service tax (including education cess) had not been paid by the Company for the period from 2007-2008 to 2011-2012 in accordance with the provisions of the Finance Act, 1994 on account of providing taxable services (business auxiliary services) under the Finance Act, 1994 and (ii) penalties under sections 75, 76, 77, and 78 of the Finance Act, 1994 should not be levied against the Company. The Company has filed its reply to the show cause notice on February 19, 2013 stating that (i) services as collection agent are not taxable as the same cannot be viewed as a separate and independent service being rendered by the Company, the entire exercise is revenue neutral and the demand for service tax is time barred; and (ii) the Company is not liable for payment of penalties as it has not defaulted under the provisions of the Finance Act, 1994. The Commissioner of Central Excise, Customs and Service Tax, Cochin has issued an order on December 30, 2014 disposing SCN No.199/2012

with a demand of INR 1,531,458,734 as service tax, education cess and SHEC payable on securitisation transactions with banks for the period from 2007 to 2012, along with interest under section 75 of the Finance Act, 1994, Penalty at the rate of INR 200 per day or 20% of tax for every month whichever is higher under section 76, INR 10,000 under section 77 and INR 153,14,58,734 under section 78 of the Finance Act, 1994. (Total liability including tax, interest and penalty under various sections if confirmed is estimated as INR 4,895,883,216/-). On writ petition, the High Court of Kerala by order WP(C) No.6173 of 2015 dated March 02, 2015 directed the Company to file appeal before the Appellate Tribunal, without pre-deposit of tax. Appeal filed with CESTAT, Bangalore on March 31, 2015. The Government also has filed writ appeal before the High Court against the order of the Single Judge, on writ appeal by Government, the High Court has held that the Appellate Tribunal can take up the appeals filed by the Company. The matter is pending before the Tribunal. The Tribunal in their interim order no. 22 to 36/2016, dated February 17, 2016 stated that pre-deposit as per section 35F of the Central Excise Act, 1944 is to be deposited by the Company within four weeks from the date of the order. The Company filed a writ petition before the High Court of Kerala on March 21, 2016, which was subsequently disposed off by order dated July 14, 2016 directing the Company to pay pre-deposit as per Section 35F. Company has paid the pre-deposit using CENVAT credit by communication dated July 26, 2016 and accepted by the Tribunal. The appeal is currently pending."

4. **Paragraph 8 under service tax cases on page no. 195 of the Shelf Prospectus shall stand replaced as follows:**

"The Additional Commissioner of Central excise, Customs & Service tax, Cochin has issued a show cause notice no.233 /2013/ST (C No.V/ST/15/212/2013/ST Adj) dated October 25, 2013 asking the Company to show cause as to why (i) CENVAT credit totalling ₹ 1,075,156 should not be demanded from the Company; (ii) interest at the appropriate rate on the ineligible CENVAT credit availed should not be demanded from the Company, (iii) penalty should not be imposed under Rule 15 of CENVAT Credit Rules, 2004; (iv) penalty should not be imposed on the Company under Section 78 of Chapter V of the Finance Act, 1994. The Company has filed its reply to the show cause notice on July 17, 2014 explaining why all the allegations contained in the show cause notice are incorrect and unsustainable. Order No.32/2015 dated April 31, 2015 confirmed the demand as per show cause notice. The Company had filed an appeal before the Commissioner of Central Excise (Appeals), Kochi on August 06, 2015 challenging the order, which has been rejected by order No.COC-EXCUS-000-APP-401-16-17 dated December 30, 2016 received on January 25, 2017. The Company has filed an appeal before CESTAT, Bangalore on April 24, 2017. The matter is currently pending."

5. **Paragraph 9 under service tax cases on page no. 195 of the Shelf Prospectus shall stand replaced as follows:**

"The Joint Commissioner of Central Excise, Customs & service tax, Kochi has issued show cause notice No.132/2014 dated May 12, 2014 asking the Company to show cause why (i) an amount of ₹ 677,476 being service tax on foreign payments made during the period of 2012-13 should not be demanded from the Company; (ii) interest on the appropriate rate of service tax, education cess and secondary and higher education cess should not be demanded under Section 75 of the Finance Act, 1994; and (iii) penalties should not be imposed on them under Sections 66A, 70, 76, 77 and 78 of the Finance Act, 1994. The Company has filed its reply to the show cause notice by letter dated July 29, 2014 setting out the factual position and explaining why all the allegations contained in the show cause notice are incorrect and unsustainable. The Joint Commissioner of Central Excise, Customs and Service Tax, Kochi has issued a consolidated order No.70 to 72 dated February 18, 2016, received by the Company on March 30, 2016, disposing off three show cause notices nos. 83/2012, 01/2013 and 132/2014. The Company has filed an appeal before the Commissioner of Central Excise (Appeals), Kochi on May 25, 2016. The matter is currently pending."

6. **Paragraph 10 under service tax cases on page no. 196 of the Shelf Prospectus shall stand replaced as follows:**

"The Deputy Commissioner of Central Excise, Customs & service tax, Kochi has issued show cause notice No.50/2014 dated September 25, 2014 asking the Company to show cause why (i) an amount of ₹ 394,523 being service tax on foreign payments made during the period of 2013-14 should not be demanded from the Company; (ii) interest on the appropriate rate of service tax, education cess and secondary and higher education cess should not be demanded under Section 75 of the Finance Act, 1994; and (iii) penalties

should not be imposed on them under Sections 66A, 70, 76, 77 and 78 of the Finance Act, 1994. The Company has filed its reply to the show cause notice by letter dated November 24, 2014 setting out the factual position and explaining why all the allegations contained in the show cause notice are incorrect and unsustainable. The Deputy Commissioner of Central Excise, Customs & service tax, Kochi has issued an order dated January 20, 2015 by disposing SCN No.50/2014 with demand of ₹ 3,94,523, interest under Section 75 of the Finance Act, 1994, penalty of ₹ 1,000 under Section 77(2), and a penalty of ₹ 394,523 under Section 78 Chapter V of Finance Act, 1994. The Company had filed an appeal before the Commissioner of Central Excise (Appeals), Kochi on March 23, 2015 challenging the order, which has been rejected by order No. COC-EXCUSS-000-414-16-17 dated December 30, 2016 received on February 16, 2017. The Company has filed an appeal before CESTAT, Bangalore on April 17, 2017. The matter is currently pending."

7. Paragraph 11 under service tax cases on page no. 196 of the Shelf Prospectus shall stand replaced as follows:

"The Commissioner of Central Excise and Customs, Kochi has issued show cause notice bearing reference No. 177/2014/ST dated May 21, 2014 directing the Company to show cause why: (i) an amount of ₹ 8.30 million as service tax (including education cess) should not be demanded and recovered from the Company for the period 2012-2013 in accordance with the provisions of the Finance Act, 1994 on account of providing taxable services (business auxiliary services) under the Finance Act, 1994 and (ii) interest and penalties under sections 75, 76, 77, and 78 of the Finance Act, 1994 should not be levied against the Company. The Company has filed its reply to the show cause notice on July 17, 2014 explaining why all the allegations contained in the show cause notice are incorrect and unsustainable. The Commissioner of Central Excise and Customs, Kochi has issued an consolidated order No.46 &47 /14-15 on December 31, 2014 disposing SCN 177/2014/ST and 194/2012/ST stating that the confirmed demand on SCN 177 /2014/ST is ₹ 8,306,129 on Business auxiliary services for the period 2013-14 and interest under Section 75 of the Finance Act, 1994, the penalty is ₹ 100 per day or 1% of the tax due whichever is higher under Section 76 of the Finance Act, 1994 and ₹ 10,000 under Section 77 of the Finance Act, 1994. The case is considered together with SCN 194 as mentioned above in point no.5."

8. Paragraph 12 under service tax cases on page no. 196 of the Shelf Prospectus shall stand replaced as follows:

"The Commissioner of Central Excise, Kochi has issued SCN No.26/2015 dated March 02, 2015 to the Company relating to service tax on money transfer income for the period 2013-14. The Company has filed writ petition No.11833/2015 before the High Court of Kerala challenging the above notice and filed reply to the Commissioner informing the same. The matter is pending before the High Court. As required by the Commissioner, the Company has filed detailed reply also to the SCN vide letter dated October 05, 2015. The Commissioner of Central Excise has issued an order No.85/2015 dated February 18, 2016, received by the Company on March 17, 2016. The Company has filed a writ petition with the High Court of Kerala which was admitted on April 07, 2016. The matter is currently pending before the Court."

9. Paragraph 13 under service tax cases on page no. 196 of the Shelf Prospectus shall stand replaced as follows:

"The Commissioner of Central Excise, Kochi has issued SCN No.374/2015/ST dated October 20, 2015 allegedly stating that the postage, telegram & telephone expenses debited in P&L A/c of the Company as the amount recovered from customers and by directing the Company to show cause as to why total amount of Rs.10,58,38,896/-including service tax and secondary & higher education cess should not be demanded and recovered from the Company under proviso to section 73(1) of chapter V of Finance Act 1994. The Company has filed reply to the show cause notice, vide letter dated November 08, 2015. Jurisdiction transferred to Calicut and consolidated Order issued by Commissioner, Calicut by dropping all proceedings under SCN No.374/2015 and SCN No.21/2017 vide OIO No.COC-EXCUSS-000-COM-19 & 20 -18 -19 dated 04.07.2018 received on 17.07.2018. Commissioner, Kochi has filed Appeal before CESTAT Bangalore against the order, copy received on 03.12.2018. The matter is currently pending."

- 10. Paragraph 14 under service tax cases on page no. 196 and 197 of the Shelf Prospectus shall stand replaced as follows:**

"The Commissioner of Central Excise and Customs, Kochi has issued SCN No.173/2016/ST dated April 11, 2016 directing the Company to show cause as to why total amount of INR 6,182,037 including service tax and secondary & higher education cess should not be demanded and recovered from the Company under proviso to section 73(1) of chapter V of Finance Act 1994. The Company has filed reply to the show cause notice, on May 14, 2016. The Company has received an order No.13/2017 dated January 27, 2017 received on February 28, 2017. The Company has filed an appeal before the Commissioner (Appeals), Kochi on April 27, 2017. The matter is currently pending."

- 11. Paragraph 15 under service tax cases on page no. 197 of the Shelf Prospectus shall stand replaced as follows:**

"The Principal Commissioner of Central Excise and Customs, Kochi has issued SCN No.19/2017/ST dated April 12, 2017 directing the Company to show cause as to why a total amount of INR 6,61,62,172 and interest on delayed payment of service tax, education cess and secondary & higher education cess should not be demanded and recovered from the Company under proviso to section 73(1) of chapter V of Finance Act 1994 relating to CENVAT credit on expenses for the period from 2006-07 to 2010-11.

The Company was also asked to show cause as to why penalty should not be imposed under Rule 15(1) of the CENVAT Credit Rules, 2004 and under section 78 of the Finance Act, 1994. The company has filed reply to the show cause notice, on June 23, 2017. Commissioner, Calicut has issued Order No.COC-EXCUS-000-COM-21-18-19 Dated 05.07.2018 by confirming the show cause notice. Writ petition filed by the Company before High Court of Kerala admitted and interim stay granted by paying Pre-deposit of 7.5% of the demand. The matter is currently pending."

- 12. Paragraph 16 under service tax cases on page no. 197 of the Shelf Prospectus shall stand replaced as follows:**

"The Principal Commissioner of Central Excise and Customs, Kochi has issued SCN No.21/2017/ST dated April 12, 2017 directing the Company to show cause as to why a total amount of INR 9,86,45,920/- and interest on delayed payment of service tax and secondary & higher education cess should not be demanded and recovered from the Company under proviso to section 73(1) of chapter V of Finance Act 1994 relating to postage and telephone expenses incurred by the company during the period 2014-15 to 2015-16. The Company was also asked to show cause as to why penalty should not be imposed under sections 76, 77 and 78 of the Finance Act, 1994. The Company has filed reply to the show cause notice, on May 30, 2017. Jurisdiction transferred to Calicut and consolidated Order issued by Commissioner, Calicut by dropping all proceedings under SCN No.374/2015 and SCN No.21/2017 vide OIO No.COC-EXCUSS-000-COM-19 & 20 -18 -19 dated 04.07.2018 received on 17.07.2018. Commissioner, Kochi has filed Appeal before CESTAT Bangalore against the order, copy received on 03.12.2018. The matter is currently pending."

- 13. Paragraph 17 under service tax cases on page no. 197 of the Shelf Prospectus shall stand replaced as follows:**

"The Principal Commissioner of Central Excise and Customs, Kochi has issued SCN No.40/2017/ST dated August 08, 2016 directing the Company to show cause as to why a total amount of INR 3,57,95,903 including service tax and secondary & higher education cess should not be demanded and recovered from the Company under proviso to section 73(1) of chapter V of Finance Act 1994, relating to money transfer income other than from Paul Merchants for the period 2012-13 to 2014-15 along with interest and penalties. The Company has filed a reply to the show cause notice, on October 04, 2017. The matter is currently pending."

- 14. After paragraph 17 under service tax cases on page no. 197 of the Shelf Prospectus, the following paragraph shall be included as paragraph 18:**

"The Principal Commissioner of Central Tax & Central Excise, Kochi has issued SCN No.56/2019/ST/Pr. Commr. dated April 05, 2019 directing the Company to show cause as to why a total amount of

INR 7,12,54,968 including service tax, Swach Bharat Cess & Krishi Kalyan Cess should not be demanded and recovered from the Company under proviso to section 73(1) of chapter V of Finance Act 1994, relating to postage, telegram and telephone expenses incurred by the company for the period 2016-17 and 2017-18(April to June) along with interest and penalties. The Company is in the process of filing reply to the show cause notice."

Income tax cases

1. **Paragraph 1 under income tax cases on page no. 197 of the Shelf Prospectus shall stand replaced as follows:**

"By an assessment order dated December 19, 2011, the Additional Commissioner of Income Tax, Range-1, Kochi, has demanded a sum of ₹ 13.8 million as the deductions claimed by the Company were disallowed for the AY 2009-10. The Company has filed application dated January 20, 2012 for rectification of the assessment order, under section 154 of the IT Act and also filed an appeal against the said order before the Commissioner of Income Tax (Appeals)-II, Kochi. With regard to the application filed by the Company, the assessing officer, vide order dated July 2, 2012 has revised the demand to ₹ 13.3 million. Company has already paid the entire demand of tax. Appeal filed with the CIT(A) was partly allowed by order dated November 12, 2013. The appeal filed by the Company before the Income Tax Appellate Tribunal, Kochi is allowed and the appeal filed by The Deputy Commissioner of Income tax, Circle1(2), Kochi was dismissed by order dated July 25, 2014. Appeal filed by CIT, Kochi before High Court of Kerala was disposed in favour of the Company by order dated 08.01.2019 directing the A.O to allow staff welfare expenses. The matter is now pending before the A.O."

2. **Paragraph 2 under income tax cases on page no. 197 and 198 of the Shelf Prospectus shall stand replaced as follows:**

"The Additional Commissioner of Income Tax, Range-1, Kochi has by an assessment order dated March 21, 2013 under Section 143(3) of the Income Tax Act demanded payment of ₹ 36,384,640 for the A.Y. 2010-11 and has stated that the Company cannot be allowed to claim certain tax deductions, on account of undertaking generation and distribution of power, non-payment of tax on payments made to non-resident entities, expenses relating to its demerged radio business, bad debts and payments made into the Company's staff welfare scheme account. The appeal filed against the said order before the Commissioner of Income Tax (Appeals)-II, Kochi has been partly allowed by order dated November 15, 2014. The Company has filed an appeal against the said order before the Income Tax Appellate Tribunal, Kochi. The Company has already paid an amount of ₹ 21.82 million towards the demand. The appeal filed by the Company was allowed and the appeal by the Revenue dismissed by common order dated September 26, 2016. ITA No.24/2017 filed by the Pr. Commissioner of IT, Kochi before the High Court of Kerala against the ITAT Order (relating to Staff welfare expenses of Rs.2.62 crores) is pending.

Fresh assessment completed by the Deputy Commissioner of Income Tax, Central Circle-1, Kochi under section 143(3) read with section 147 of the I.T. Act by order dated November 30, 2017, served on December 01, 2017 with a demand of Rs.14,20,19,060. Application filed by the Company for rectification of error in calculation of interest under section 234B of the I.T. Act allowed and also considering the demand paid till date, revised Order U/s.154 dated 31.05.2018 issued by DCIT with final revised demand of Rs.2,61,46,200/-. Appeal filed before the CIT(A)-4, Kochi against the original order is pending for disposal."

3. **Paragraph 3 under income tax cases on page no. 198 of the Shelf Prospectus shall stand replaced as follows:**

"The Additional Commissioner of Income Tax, Range-1, Kochi has demanded payment of ₹ 4.55 million for the assessment year 2011-12 from the Company by an assessment order dated November 29, 2013 under Section 143(3) of the Income Tax Act and has disallowed certain deductions under section 80IA of the Income Tax Act, which the Company had claimed on account of bad debts written off. The Company has made payment of the entire amount demanded. The appeal filed by the Company before the Commissioner of Income Tax (Appeals) – II has been dismissed for statistical purposes. The Company has filed a miscellaneous petition before the Commissioner of Income Tax (Appeals) – II for rectification of mistake apparent on record and to reconsider the Appeal again. Company has also preferred an

Appeal before the Income Tax Appellate Tribunal, Kochi against the dismissal order. Appeal filed before the Income Tax Appellate Tribunal, Kochi against the dismissal order has been allowed by ITAT by order dated 08.01.2016 and restored the file to CIT(A), Kochi for fresh consideration. The matter is pending before the CIT(A), Kochi.

Fresh assessment for the AY 2011-12 completed U/s.143(3) rws 153A by the Assistant Commissioner of Income Tax, Central Circle-1, Kochi by order dated 29.12.2018 served on 01.01.2019 with revised demand of Rs.18,10,39,770/-. Company has filed rectification application before the A.O for correcting interest wrongly charged U/s.234A and also filed appeal before the Commissioner (Appeals)."

4. **Paragraph 4 under income tax cases on page no. 198 of the Shelf Prospectus shall stand replaced as follows:**

"Appeal filed by the Commissioner of Income Tax before the High Court of Kerala against the order of the Income Tax Appellate Tribunal, Kochi for the A.Y. 2004-05 has been partly allowed in favour of the Company and partly in favour of the Revenue, by order dated 08.01.2019. The Income Tax Appellate Tribunal, Kochi in their order dated June 01, 2012 had dismissed the appeal filed by the Additional Commissioner of Income Tax, Circle-1(3) Kochi against a previous order of the Commissioner of Income Tax (Appeals)-II, Kochi dated February 16, 2007. This order of the Commissioner of Income Tax (Appeals)-II Kochi pertained to an assessment order issued as regards the Company for the assessment year 2004 – 2005 as regards certain additions and disallowances."

5. **Paragraph 5 under income tax cases on page no. 198 of the Shelf Prospectus shall stand deleted.**

6. **Paragraph 6 under income tax cases on page no. 198 and 199 of the Shelf Prospectus shall stand replaced as follows:**

"The Additional Commissioner of Income Tax, Kochi, has issued order U/s.143(3) dated March 02, 2015 with demand of Rs.2,92,30,000/- for the AY 2012-13. The Company has paid an amount of Rs.21,10,000/- and the balance demand is Rs.2,71,20,000/-. Rectification application filed with the A.O and Appeal filed with the Commissioner of Income Tax (Appeals)-II, Kochi are pending for disposal.

Fresh assessment for the AY 2012-13 completed U/s.143(3) rws 153A by the Assistant Commissioner of Income Tax, Central Circle-1, Kochi by order dated 29.12.2018 served on 01.01.2019 with revised demand of Rs.37,72,73,127/-. Company has filed rectification application before the A.O for correcting interest wrongly charged U/s.234A and also filed appeal before the Commissioner (Appeals)."

7. **Paragraph 7 under income tax cases on page no. 199 of the Shelf Prospectus shall stand replaced as follows:**

"The Joint Commissioner of Income Tax, Kochi has issued an order under section 143(3) dated March 29, 2016 for the A.Y 2013-14 with demand of INR 34,579,720. The Company has paid the entire demand and filed an appeal with the Commissioner of Income Tax (Appeals), Kochi against the order.

Fresh assessment for the AY 2013-14 completed U/s.143(3) rws 153A by the Assistant Commissioner of Income Tax, Central Circle-1, Kochi by order dated 29.12.2018 served on 01.01.2019 with revised demand of Rs.10,64,26,840/-. Company has filed rectification application before the A.O for correcting interest wrongly charged U/s.234A and also filed appeal before the Commissioner (Appeals)."

8. **Paragraph 8 under income tax cases on page no. 199 of the Shelf Prospectus shall stand replaced as follows:**

"Assessment for the AY 2014-15 completed U/s.143(3) rws 153A by the Assistant Commissioner of Income Tax, Central Circle-1, Kochi by order dated 29.12.2018 served on 01.01.2019 with demand of Rs.85,27,34,070/-/-. Company has filed rectification application before the A.O for correcting interest wrongly charged U/s.234A and also filed appeal before the Commissioner (Appeals)."

9. **Paragraph 9 under income tax cases on page no. 199 of the Shelf Prospectus shall stand replaced as follows:**

"Assessment for the AY 2015-16 completed U/s.143(3) rws 153A by the Assistant Commissioner of Income Tax, Central Circle-1, Kochi by order dated 29.12.2018 served on 01.01.2019 with demand of Rs.14,29,25,790/-. Company has filed rectification application before the A.O for correcting interest wrongly charged U/s.234A and also filed appeal before the Commissioner (Appeals)."

10. **Paragraph 10 under income tax cases on page no. 199 of the Shelf Prospectus shall stand replaced as follows:**

"Assessment for the AY 2016-17 completed U/s.143(3) rws 153A by the Assistant Commissioner of Income Tax, Central Circle-1, Kochi by order dated 29.12.2018 served on 01.01.2019 with demand of Rs.26,16,45,448/-. Company has filed rectification application before the A.O for correcting interest wrongly charged U/s.234A and also filed appeal before the Commissioner (Appeals)."

11. **Paragraph 11 under income tax cases on page no. 199 of the Shelf Prospectus shall stand replaced as follows:**

"Assessment for the AY 2017-18 completed U/s.143(3) by the Assistant Commissioner of Income Tax, Central Circle-1, Kochi by order dated 29.12.2018 served on 01.01.2019 with demand of Rs.36,72,016/-. Company has filed rectification application before the A.O for correcting interest wrongly charged U/s.234A and also filed appeal before the Commissioner (Appeals)."

Cases filed against the Directors

1. **Paragraph 5, 6 and 7 under cases filed against the Directors on page no. 200 and 201 of the Shelf Prospectus shall stand deleted.**
2. **After paragraph 7 under cases filed against the Directors on page no. 201 of the Shelf Prospectus, the following paragraph shall be included as paragraph 5:**

"The Joint Commissioner of Income Tax, Thiruvalla has issued an assessment order u/s.143(3) dated 12.12.2011 to George Thomas Muthoot for the A.Y 2009-10 demanding ₹5.6 million. Appeal filed before the commissioner of Income Tax (Appeals)-Trivandrum is now pending before CIT(A), Kochi."

Litigations filed by our Company

1. **Paragraph 1 to 13 of the Litigations filed by our Company on page no. 201 to 204 of the Shelf Prospectus shall stand replaced as follows:**

1. *The Company has filed a special leave petition before the Supreme Court of India (SLP (Civil) No. 14386 of 2010) against the judgment of the High Court of Kerala in W.P (C) No. 7526 of 2006 wherein it was held that NBFCs such as the Company must comply with the provisions of the Kerala Money Lenders Act, 1958. The Company has contended that it is regulated by the provisions of the Reserve Bank of India Act, 1934 and action on the part of the Government of Kerala to levy license fee under the Kerala Money Lenders Act, 1958 on the Company amounts to dual control by the State Government and the Central Government on the same activities. The Company has sought an interim order from the Supreme Court of India to stay the judgment and final order passed by the High Court of Kerala. The Supreme Court of India accordingly directed that status quo be maintained. The matter is still pending for final adjudication.*

2. *The Company has filed a writ petition (W.P. no. 18932 of 2012) against the State of Karnataka and certain others before the High Court of Karnataka seeking a writ of mandamus declaring that the Company is exempted from the provisions of the Karnataka Prohibition of Charging Exorbitant Interest Act, 2004 and that the Company is governed solely by regulations framed by the RBI. The*

Company has also sought a direction from the High Court of Karnataka directing the respondents to not interfere in the Company's activities. The matter is currently pending. The W.P. is posted to 27-05-2019 for hearing.

3. The Company has filed a civil suit (O. S. No. 78 of 2006), before the Sub Court, Ernakulum against Cardamom Marketing Corporation, a partnership firm and 11 other persons who are partners of Cardamom Marketing Corporation, the defendants in the case. The Company has alleged that the defendants availed a loan of INR 17.50 million in the month of September 2005 agreeing to repay the loan with 24.00% interest per annum within 21 days from the date of disbursement. However the defendants did not repay the loan as agreed. On November 2, 2005 and November 26, 2005, the Company sent registered notices demanding the repayment of loan with the interest. The defendants had issued a cheque of INR 18.5 million towards repayment of the loan amount which when presented for encashment by our Company was dishonoured on December 13, 2005. The Company issued a notice dated January 11, 2006 to the defendants intimating about the dishonour of cheque and demanding payment and the defendants denied any transactions between the Company and the defendants. Therefore the Company has filed the suit for recovery of an amount of INR 19.05 million along with interest on INR 17.5 million at 24% per annum from the defendants and further seeking costs of the proceedings. The review petition is pending before the High Court of Kerala for hearing. The Review petition O.P (c) No.735/2015 is posted for hearing.
4. The Company filed civil suit O.S.6758/2013 on September 16, 2013 against Paranjyothi and Pradeep Kumar seeking that the court direct Pradeep Kumar to pay the Company a total sum of INR 54,44,256 in respect of certain loan accounts along with future interest at the rate of 33% per annum from the date of the suit till the date of realization and that the court pass an order of attachment, attaching the suit scheduled property and order to sell the same in public auction to realise the suit claim. The suit was decreed in favour of the Company on August 10, 2015. The Property of Nagarathamma was attached against her liability. The execution petition bearing No. E P 1007/2015 has been filed and admitted by the court. The Company has also filed a petition in EP No. 1007/2015 to conduct sale of the attached property of Nagarathamma. The matter has been adjourned to June 22, 2019 for taking steps.
5. The Company filed a civil suit bearing OS No. 07/2012 against a former employee of the Company alleging misappropriation of funds stored at a certain branch of the Company. The Company sought a decree against both the defendants for recovery of INR 1,130,178. In this case the defendant filed an IA to allow them to amend their written statement. The IA was allowed by the court and the case was posted to February 15, 2018 for framing additional issues. In Criminal Case CC 1122/2013, A1 (being Vishwanathan Nair) was arrested and has obtained bail. A2 (being wife of A1) has already obtained bail. The Civil case i.e. O.S 07/2012 is posted to 27/05/2019 for enquiry and the Criminal case i.e. CC1122/13 has also been posted to 30/04/2019 for enquiry.
6. The Company had filed a petition under section 451 and 547 of the CrPC seeking the return of gold ornaments seized by the police. The petition came to be dismissed, post which the Company filed a civil case OS 716/2010 which was decreed in its favour. The Company filed an execution petition bearing E.P. No. 98 of 2016 in civil suit No. 716 of 2010. The civil suit had been filed by the Company against N. Mohandas seeking payment of a sum of INR 30,22,677 together with interest at the rate of 30% from the date of the suit till the date of repayment. On September 11, 2015 the court directed the respondent to pay a sum of INR 30,22,677 along with interest at the rate of 18%. During the pendency of the suit the Company filed an application seeking the court's permission to have the respondent furnish security within a specified time period, failing which, to attach the defendant's property. The execution petition was filed seeking to transmit the decree and judgment to the District Munsiff Court at Sriperumbudur. Thereafter the Company has filed E.P. No. 09/2019 (old no.62/2018) and CrIMP01/2019 to Kanchipuram court. The Suit (E.P. No. 09/2019) has been posted on 27/03/2019 for fresh notice to respondent. CrIMP01/2019 has been posted to 07/06/2019 for Counter.
7. The enquiry officer / CSR, Mr. K.V. Chakravarti, issued a notice dated December 16, 2014 stating that he had been appointed to enquire into certain fraudulent activities pertaining to jewels pledged for loans in the K746 OK Chettipalayam Primary Agricultural Co-operative Credit Society, which were allegedly removed and re-pledged at the branches of the Company for availing loans. The Company filed a writ petition before the Hon'ble High Court of Madras seeking directions to stay the

operations initiated through the issue of the notice dated December 16, 2014. Pursuant to an order passed in CMP No. 3129 of 2014 dated December 22, 2014, the Company handed over the jewels pledged with them. The gold is thereby seized by the registrar of Co-operative Society. Subsequently the Company lodged a complaint with the Coimbatore police seeking appropriate action to be taken against the President and the Secretary of the said society for misusing their official position and removing the jewels seized from the Company. The Company also filed CMP No. 2348 of 2015 seeking interim custody of the jewels. The Company sought that the court pass an order directing the respondents to produce the quantity and the details of the persons and members to whom they had handed over the jewels seized from the Company. The respondents filed a counterstatement claiming that they should not be required to disclose any details as the Company was not the owner of the said jewels. Regardless, they claimed that the Company had already received information regarding the jewels and the borrowers. It was also claimed that the Company had violated the KYC requirements prescribed by the RBI and required to be followed in relation to issuance of loans. The matter has been posted to February 02, 2018 for orders. The Company filed civil suits along with IA for ABJ against eight customers including President and Secretary of Co Operative Society and attached their properties. All eight civil cases are posted for framing of issues. The Company also filed a petition under section 200 CrPC to instruct Police to take cognizance against the President and Secretary of the Co Operative Society under section 420 of the IPC on Vicarious Liability. The court rejected the petition on default. The Company has filed a petition again and the same is pending for admission. Both CMP 2448/2017 u/s 451 CrPC for the interim custody of the seized gold and the petition u/s 200 CrPC are dismissed. Civil suits are pending as of date.

8. The Company filed a cheating case bearing Cr. No 570/2014 against Dhanavan, post which the respondent obtained bail from the jurisdictional High Court. The Company thereafter filed a civil suit at the Mananthavady Sub Court in OS 21/2014 to attach Dhanavan's property, including the bank account maintained by him with Federal bank, Nedumbasserry Branch. In OS 21/2014 the issues were framed, the balance court fee paid and the case has been listed to May 29, 2018 for evidence. The suit no OS 21/2014 is listed for evidence and posted to 18/06/2019. Police has filed charge sheet in Cr. No 570/2014 and the case is numbered as.CC 436/18.The Cr. No 570/2014 has been posted to 21/05/2019 hearing.
9. The Company has filed a plaint in the civil suit bearing OS No.163/2013 against G. Sundaresan seeking the defendant to pay a sum of INR 25,30,542. The case was decreed ex-parte. The defendant however fraudulently transferred his property to his wife. The Company subsequently filed an execution petition bearing EP 42/2016. The matter has been posted to June 15, 2018 for settlement. EP 42/2016 is adjourned to 11/06/2019 for hearing.
10. The Company filed a plaint before the Senior Civil Judge at Mangalore in OS 87/2013 against Sathish Shetty, C. Seetharam and Reshmalatha, seeking a decree against the defendants jointly and severally, to pay a sum of INR 2,966,822 to the Company and if the defendants failed to pay this amount within the time frame stipulated by the court, a decree permitting the Company to auction certain gold ornaments pledged with it in a public auction. The Company also filed a plaint before the same court in OS 88/2013 against Chethana S. Shetty, C. Seetharam and Reshmalatha, directing the defendants therein to jointly and severally pay the Company a sum of INR 17,780 and a sum of INR 4,508,608 in respect of a SPL loan account bearing number 6649, 6686, 6807, 6825, 6860 and 6861. The Company also sought a decree permitting it to auction certain gold ornaments pledged with it in a public auction if the amounts were not paid to it within the time frame prescribed. Separately, a charge sheet bearing reference number CC 480/12 was filed against the defendants. The criminal matter was posted for evidence. while the civil cases have been posted to May 16, 2018 for orders. The property and the bond deposit of the defendant has been attached conditionally. Both OS 87/2013 & OS 88/2013 were partly decreed on 16/02/2018. Company has filed appeals to modify the decrees before High Court of Karnataka. Criminal Case ie PR480/2012, is posted to 19/06/2019 for further evidence.
11. The Company filed a civil case bearing No. OS 12/12 against P.S. Ratna Deep, a former branch manager of the Company working at the Jangareddygudem branch. The suit for recovery was filed by the Company seeking recovery of a sum of INR 36,12,354, which was the amount allegedly misappropriated by the defendant. The case was dismissed by the court. The Company has filed an appeal before the High Court of Judicature at Hyderabad and this was admitted by the High Court as AS. 1110/2016. The appeal has been posted for hearing. Separately, the police filed a charge sheet

bearing reference number CC 545/2016 and the court has issued summons to the accused to be present before it. The trial is presently underway in this matter. The petition filed by the Company under section 451 CrPC is also pending and arguments will commence post completion of the trial. Both CC 545/2016 & CC566/2016 are re numbered as CC 680/16 and CC 681/16. Both cases are posted to 10/05/2019 for hearing.

12. The Company has filed a plaint before the Hon'ble Sub Court, Mavelikara in OS No. 14/2014 against George Mathew and Laila George seeking recovery of an amount of INR 31,27,000 with 18% interest from George Mathew and his assets and a declaration that a sale deed executed by the defendant be cancelled. The Company has also filed a criminal case against the defendants and an FIR has been registered and the matter is presently under investigation. A charge sheet has not yet been filed in this matter. The court has issued an injunction order restraining the respondents from alienating the property in dispute and encumbering the property till April 11, 2014. OS No. 14/2014 was dismissed by the court on September 10, 2018 hence the Company has filed an appeal before honorable High court of Kerala.
13. The Company filed CC 872/11 under section 138 of the Negotiable Instruments Act, 1881. This was dismissed by the court due to the demise of the accused. Separately, OS 90/2011 filed by the Company was decreed in its favour, as described above in paragraph 9 of 'Civil Cases' under 'Litigations against the Company'. The Company therefore filed an execution petition bearing EP No. 98/2015 and the case was posted to February 19, 2018. Further, the police have filed a charge sheet in the criminal case bearing Cr No 108/2011 as CC 191/16 and the case has been transferred to the 3rd MM Court and it is posted for appearance of the accused. Certain accused in CC 191/2016 have filed a petition before the jurisdictional High Court to quash the charges levelled against them. The Company has filed a counter against this petition before the High Court. EP No. 98/2015 has been posted to 07/06/2019 for hearing."

- **Other matters**

Further Investments in Subsidiaries

The Company subscribed to 2,51,13,179 further equity shares of M/s. Asia Asset Finance Plc increasing its shareholding to 69.17% by infusing Rs. 10,04,52,716 during Q4 2019.

Allotment of equity shares pursuant to exercise of Employee Stock Option

The Nomination and Remuneration Committee of the Board of Directors of the Company under the Muthoot ESOP allotted 45,080 and 32,955 equity shares of face value of Rs. 10 each on February 20, 2019 and March 23, 2019 respectively pursuant to exercise of Employees Stock Options by the Employees of the Company. As on date of this Tranche II Prospectus, the issued, subscribed and paid up share capital of the Company is Rs. 4,00,66,13,160.

Dividend

The Board in its meeting dated April 05, 2019 declared interim dividend of Rs. 12 per equity share of Face Value of Rs.10/- each.

Unaudited Financial Statements

The Company has announced its unaudited financial statements on February 06, 2019 for the quarter and nine months ended December 31, 2018.

THE ISSUE

The following is a summary of the Tranche II Issue. This summary should be read in conjunction with, and is qualified in its entirety by, more detailed information in the chapter titled “*Terms of the Issue*” beginning on page 79 of this Tranche II Prospectus.

Common Terms of NCDs**

Issuer	Muthoot Finance Limited												
Lead Managers	Edelweiss Financial Services Limited and A. K. Capital Services Limited												
Debenture Trustee	IDBI Trusteeship Services Limited												
Registrar to the Issue	Link Intime India Private Limited												
Type and nature of instrument	Secured redeemable non-convertible debentures of face value of ₹ 1,000 each												
Base Issue	₹ 1,000 million												
Option to retain Oversubscription Amount	₹ 9,000 million.												
Tranche II Issue Size	₹ 10,000 million												
Shelf Limit	₹ 40,000 million												
Mode of Issue	Public Issue												
Issue	Public issue by our Company of Secured NCDs of face value of ₹ 1,000 each, for an amount up to ₹ 40,000 million ("Shelf Limit"), hereinafter referred to as the "Issue". The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue (each a "Tranche Issue")												
Face Value (in ₹ / NCD)	₹ 1,000												
Issue Price (in ₹ / NCD)	₹ 1,000												
Minimum application	₹ 10,000 (10 NCDs) (for all options of NCDs, namely Option I, Option II, Option III, Option IV, Option V, Option VI, Option VII, Option VIII, Option IX and Option X).												
In multiples of Seniority	₹ 1,000.00 (1 NCD)												
	Senior (to clarify, the claims of the Secured NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements). The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, present and future and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first <i>pari passu</i> charge on the identified immovable property and a first <i>pari passu</i> charge on current assets, book debts, loans and advances, and receivables including gold loan receivables, both present and future, of our Company.												
Tranche II Issue	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each ("NCDs") for an amount of ₹ 1,000 million ("Base Issue") with an option to retain oversubscription up to ₹ 9,000 million aggregating upto 10,000,000 NCDs amounting to ₹ 10,000 million ("Tranche II Issue Limit") ("Tranche II Issue") which is within the shelf limit of ₹ 40,000 million and is being offered by way of this Tranche II Prospectus dated May 03, 2019 containing, inter alia, the terms and conditions of this Tranche II Issue ("Tranche II Prospectus"), which should be read together with the Shelf Prospectus dated February 05, 2019 ("Shelf Prospectus") filed with the Registrar of Companies, Kerala and Lakshadweep, the Stock Exchange and the SEBI.												
Mode of Issue	Public Issue												
Listing	BSE												
	BSE shall be the Designated Stock Exchange for this Tranche II Issue.												
	The NCDs are proposed to be listed within 6 Working Days from the respective Tranche II Issue Closing Date.												
Lock-in	N.A.												
Mode of Allotment and Trading	NCDs will be issued and traded compulsorily in dematerialised form.												
Mode of settlement	Please refer to the section titled "Issue Structure" beginning on page 84 of this Tranche II Prospectus.												
Trading Lot	One (1) NCD												
Depositories	NSDL and CDSL												
Security	Security for the purpose of this Tranche II Issue will be created in accordance with the terms of the Debenture Trust Deed. For further details please refer to the section titled "Issue Structure" beginning on page 84 of this Tranche II Prospectus.												
Who can apply/ Eligible Investors	Please refer to the section titled "Issue Procedure" beginning on page 84 of this Tranche II Prospectus.												
Credit Ratings													
	<table><tr><th>Rating agency</th><th>Instrument</th><th>Rating symbol</th><th>Date of credit rating letter</th><th>Amount rated</th><th>Rating definition</th></tr><tr><td>ICRA</td><td>NCDs</td><td>"[ICRA] AA(Stable)"</td><td>December 31, 2018 and further revalidated by letters dated January 30, 2019 and April 24, 2019</td><td>Secured NCDs for ₹ 40,000.00 million rated "[ICRA] AA (Stable)"</td><td>Instruments with this rating are considered to have high degree of safety regarding</td></tr></table>	Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated	Rating definition	ICRA	NCDs	"[ICRA] AA(Stable)"	December 31, 2018 and further revalidated by letters dated January 30, 2019 and April 24, 2019	Secured NCDs for ₹ 40,000.00 million rated "[ICRA] AA (Stable)"	Instruments with this rating are considered to have high degree of safety regarding
Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated	Rating definition								
ICRA	NCDs	"[ICRA] AA(Stable)"	December 31, 2018 and further revalidated by letters dated January 30, 2019 and April 24, 2019	Secured NCDs for ₹ 40,000.00 million rated "[ICRA] AA (Stable)"	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.
	CRISIL	NCDs	“CRISIL AA/Stable”	January 18, 2019 and further revalidated by letters dated January 31, 2019 and April 22, 2019	Secured NCDs for ₹ 40,000.00 million rated “CRISIL AA/Stable” 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.
Pay-in date	Please refer to pages 151 to 177 of this Tranche II Prospectus for rating letter and rationale for the above ratings. Please refer to the disclaimer clause of ICRA and CRISIL on page 14 under the chapter “General Information” of this Tranche II Prospectus.				
Record Date	Application Date. The entire Application Amount is payable on Application. The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.				
Tranche II Issue Schedule*	The Tranche II Issue shall be open from May 10, 2019 to June 10, 2019 with an option to close earlier and/or extend upto a period as may be determined by the NCD Committee				
Objects of the Issue	Please refer to the section titled “ <i>Objects of the Issue</i> ” on page 65 of this Tranche II Prospectus.				
Details of the utilisation of Issue proceeds	Please refer to the section titled “ <i>Objects of the Issue</i> ” on page 65 of this Tranche II Prospectus.				
Coupon rate, coupon payment date and redemption premium/discount	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 84 of this Tranche II Prospectus.				
Step up/ Step down interest rates	N.A.				
Interest type	Fixed				
Interest reset process	N.A.				
Tenor	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 84 of this Tranche II Prospectus.				
Coupon payment frequency	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 84 of this Tranche II Prospectus.				
Redemption date	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 84 of this Tranche II Prospectus.				
Redemption Amount	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 84 of this Tranche II Prospectus.				
Day count convention	Actual/Actual				
Working Days convention/Day count convention / Effect of holidays on payment	All days excluding the second and the fourth Saturday of every month, Sundays and a public holiday in Kochi or Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to Tranche II Issue Period where working days shall mean all days, excluding Saturdays, Sundays and public holidays in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche II Issue Closing Date to the listing of the NCDs, Working Days shall be all trading days of stock exchanges excluding Sundays and bank holidays in Mumbai. Interest shall be computed on a 365 days-a-year basis on the principal outstanding on the NCDs. However, if period from the Deemed Date Of Allotment / anniversary date of Allotment till one day prior to the next anniversary / redemption date includes February 29, interest shall be computed on 366 days a-year basis, on the principal outstanding on the NCDs. If the date of payment of interest or any date specified does not fall on a Working Day, then the succeeding Working Day will be considered as the effective date for such payment of interest, as the case may be (the “ Effective Date ”). Interest or other amounts, if any, will be paid on the Effective Date. For avoidance of doubt, in case of interest payment on Effective Date, interest for period between actual interest payment date and the Effective Date will be paid in normal course in next interest payment date cycle. Payment of interest will be subject to the deduction of tax as per Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date falls on a holiday, the maturity proceeds will be paid on the immediately previous Working Day along with the				

Tranche II Issue	coupon/interest accrued on the NCDs until but excluding the date of such payment.
Opening Date	May 10, 2019
Tranche II Issue Closing Date	June 10, 2019
Default interest rate	In the event of any default in fulfillment of obligations by our Company under the Debenture Trust Deeds, the default interest rate payable to the applicant shall be as prescribed under the Debenture Trust Deeds.
Put/Call Date/Price	N.A.
Option	
Deemed Date of Allotment	The date on which the Board or the duly authorised committee of the Board constituted by resolution of the Board dated May 16, 2018 approves the Allotment of the NCDs for the Tranche II Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.
Transaction documents	Issue Agreement dated January 28, 2019 between our Company and the Lead Managers, the Registrar Agreement dated January 28, 2019 with the Registrar to the Issue, the Public Issue Account Agreement dated May 02, 2019 with the Public Issue Account Bank and the Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated May 02, 2019 with the Lead Brokers and Lead Managers, the Debenture Trustee Agreement dated January 28, 2019 executed between our Company and the Debenture Trustee and the Debenture Trust Deed to be executed between our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Tranche II Issue and to protect the interest of NCD Holders under the Tranche II Issue.
Conditions precedent and subsequent to the Tranche II Issue	The conditions precedent and subsequent to disbursement will be finalised upon execution of the Debenture Trust Deed.
Events of default	Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 99 of this Tranche II Prospectus.
Cross Default	Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 99 of this Tranche II Prospectus.
Roles and responsibilities of the Debenture Trustee	Please refer to the section titled “ <i>Issue Structure-Trustees for the Secured NCD Holders</i> ” on page 99 of this Tranche II Prospectus.
Governing law and jurisdiction	This Tranche II Issue shall be governed in accordance with the laws of the Republic of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai.

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

* The subscription list 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 II Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Committee. In the event of such an early closure of or extension subscription list of the Tranche II Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Tranche II Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Tranche II Issue Period. On the Tranche II Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.

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

Please see pages 102, 100 and 118 of this Tranche II Prospectus under sections “*Issue Procedure – How to apply*”, “*Issue Procedure – Who can apply*” and “*Issue Procedure – Basis of allotment*”, respectively for details of category wise eligibility and allotment in the Tranche II Issue.

The specific terms of each instrument are set out below:

Terms and conditions in connection with Secured NCDs **** Options	I	II	III	IV	V	VI	VII	VIII	IX	X
Frequency of Interest Payment	Monthly*	Monthly*	Monthly*	Annually**	Annually**	Annually**	NA	NA	NA	NA
Who can apply	All categories of investors (Category I, II, III and IV)									
Minimum Application In multiples of	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)
	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)
Face Value of NCDs (/ NCD)	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Issue Price (/ NCD)	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Tenor from Deemed Date of Allotment	24 months	38 months	60 months	24 months	38 months	60 months	24 months	38 months	60 months	90 months
Coupon Rate	9.25%	9.50%	9.75%	9.50%	9.75%	10.00%	N.A	N.A	N.A	N.A
Effective Yield (Per annum) *****	9.25%	9.50%	9.75%	9.50%	9.75%	10.00%	9.25%	9.50%	9.75%	9.67%
Mode of Payment	Through various options available									
Amount (/ NCD) on Maturity ****	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,193.56	₹ 1,333.72	₹ 1,592.29	₹ 2,000.00
Maturity Date (From Deemed Date of Allotment)	24 months	38 months	60 months	24 months	38 months	60 months	24 months	38 months	60 months	90 months
Nature of indebtedness	Secured redeemable non-convertible									

* With respect to Options where interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such NCDs, and paid on the first day of every subsequent month. For the first interest payment for NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.

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

*** Subject to applicable tax deducted at source, if any

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

***** On Options I, II and III, monthly interest payment is not assumed to be reinvested for the purpose of calculation of Effective Yield (per annum).

Our Company would allot the Option IV NCDs, as specified in this Tranche II Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant option of NCDs.

OBJECTS OF THE ISSUE

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

Tranche II Issue proceeds

The details of the proceeds of the Tranche II Issue are summarized below:

Particulars	Estimated amount (in ₹ million)
Gross proceeds to be raised through the Tranche II Issue	10,000
Less: - Tranche II Issue related expenses	100
Net proceeds of the Tranche II Issue after deducting the Tranche II Issue related expenses.	9,900

The Net Proceeds raised through this Tranche II Issue will be utilised for following activities in the ratio provided as below:

- a) For the purpose of lending- 75% of the amount raised and allotted in the Tranche II Issue
- b) For General Corporate Purposes- 25% of the amount raised and allotted in the Tranche II Issue

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

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

Purpose for which there is a requirement of funds

As stated in this section.

Funding plan

NA

Summary of the project appraisal report

NA

Schedule of implementation of the project

NA

Monitoring of utilisation of funds

There is no requirement for appointment of a monitoring agency in terms of the SEBI Debt Regulations. The Board shall monitor the utilisation of the proceeds of the Tranche II Issue. Our Company will disclose in the Company's financial statements for the relevant financial year commencing from Financial Year 2018, the utilisation of the proceeds of the Tranche II Issue under a separate head along with details, if any, in relation to all such proceeds of the Tranche II Issue that have not been utilised thereby also indicating investments, if any, of such unutilised proceeds of the Tranche II Issue.

Interim use of proceeds

The management of the Company, in accordance with the policies formulated by it from time to time, will have flexibility in deploying the proceeds received from the Tranche II Issue. Pending utilisation of the proceeds out of the Tranche II Issue for the purposes described above, the Company intends to temporarily invest funds in high quality

interest bearing liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade interest bearing securities as may be approved by the Board / Committee of Directors of the Company, as the case may be. Such investment would be in accordance with the investment policy of our Company approved by the Board or any committee thereof from time to time and the same shall be disclosed in the balance sheet as per provisions of the Companies Act, 2013.

Other confirmations

In accordance with the SEBI Debt Regulations, our Company will not utilise the proceeds of the Tranche II Issue for providing loans to or acquisition of shares of any person who is a part of the same group as our Company or who is under the same management as our Company or any subsidiary of our Company.

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

No part of the proceeds from this Tranche II Issue will be paid by us as consideration to our Promoter, our Directors, Key Managerial Personnel, or companies promoted by our Promoter except in the usual course of business.

No part of the proceeds from this Tranche II Issue will be utilized for buying, trading or otherwise dealing in equity shares of any other listed company.

Further the Company undertakes that the Tranche II Issue proceeds from NCDs allotted to banks shall not be used for any purpose, which may be in contravention of the RBI guidelines on bank financing to NBFCs including those relating to classification as capital market exposure or any other sectors that are prohibited under the RBI regulations.

The Company confirms that it will not use the proceeds of the Tranche II Issue for the purchase of any business or in the purchase of any interest in any business whereby the Company shall become entitled to the capital or profit or losses or both in such business exceeding 50% thereof, the acquisition of any immovable property or acquisition of securities of any other body corporate.

Utilisation of the proceeds of the Tranche II Issue

- (a) All monies received out of the Tranche II Issue shall be credited/transferred to a separate bank account as referred to in Section 40 of the Companies Act, 2013.
- (b) Details of all monies utilised out of the Tranche II Issue referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the purpose for which such monies had been utilised.
- (c) Details of all unutilised monies out of issue of NCDs, if any, referred to in sub-item (a) shall be disclosed under an appropriate separate head in our Balance Sheet indicating the form in which such unutilised monies have been invested.
- (d) 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) We shall utilize the Tranche II Issue proceeds only upon execution of the Debenture Trust Deed as stated in this Tranche II Prospectus, creation of security as stated in this Tranche II Prospectus, receipt of the listing and trading approval from the Stock Exchange and on receipt of the minimum subscription of 75% of the Base Issue, i.e. ₹ 750 million.
- (f) The Tranche II 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.

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

To,

The Board of Directors
Muthoot Finance Limited
2nd Floor, Muthoot Chambers
Opposite Saritha Theatre Complex
Banerji Road, Kochi 682 018
Kerala, India

Dear Sir(s),

We hereby report that the enclosed statement in **Annexure A**, states the possible tax benefits available to the debenture holders of Muthoot Finance Limited (the Company) pursuant to the issue under the Income Tax Act, 1961 (as amended by the Finance Act 2019) presently in force in India.

Several of these tax benefits/consequences are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the debenture holders to derive the tax benefits is dependent upon fulfilment of such conditions based on business imperatives it faces in the future it may or may not choose to fulfil.

The preparation of the contents in the enclosed annexure is the responsibility of the Company's management. The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. We are informed that the enclosed annexure is only intended to provide general information to the debenture holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences and changing tax laws, each investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our views are based on the existing provisions of tax law and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative, or judicial decisions. Any such changes, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

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

- the debenture holders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met with; and
- the revenue authorities/courts will concur with the views expressed herein.

The enclosed annexure is intended solely for your information and for inclusion in the Tranche II Prospectus in connection with the proposed issue of non-convertible debentures and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **VARMA & VARMA**
Chartered Accountants
Firm Registration no.: 004532S

Vijay Narayan Govind
Partner
Membership No.: 203094

Place : Kochi
Date : April 25, 2019

ANNEXURE A

STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

The following tax benefits will be available to the debenture holders as per the existing provisions of law. The tax benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the law or enactments thereto. The Debenture Holder is advised to consider the tax implications in respect of subscription to the Debentures after consulting his tax advisor as alternate views are possible. We are not liable to the Debenture Holder in any manner for placing reliance upon the contents of this statement of tax benefits.

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

I. To the Resident Debenture Holder

1. Interest on NCD received by Debenture Holders would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and tax would need to be withheld at the time of credit/payment as per the provisions of Section 193 of the I.T. Act at the rates prescribed therein being 10%. However, no income tax is deductible at source in respect of the following:
 - a) In case the payment of interest on debentures by the Company in which the public are substantially interested to a resident individual or a Hindu Undivided Family ('HUF') Debenture Holder does not or is not likely to exceed Rs 5,000 in the aggregate during the Financial year and the interest is paid by an account payee cheque.
 - b) On any security issued by a company in a dematerialized form and is listed on recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made there under.
 - c) When the Assessing Officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture holder justifies no/lower deduction of tax at source as per the provisions of Section 197(1) of the I.T. Act; and that certificate is filed with the Company before the prescribed date of closure of books for payment of debenture interest.
 - d) i. When the resident Debenture Holder with Permanent Account Number ('PAN') (not being a company or a firm) submits a declaration as per the provisions of Section 197A(1A) of the I.T. Act in the prescribed Form 15G verified in the prescribed manner to the effect that the tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However under Section 197A(1B) of the I.T. Act, "Form 15G cannot be submitted nor considered for exemption from tax deduction at source if the dividend income referred to in Section 194, interest on securities, interest, withdrawal from NSS and income from units of mutual fund or of Unit Trust of India as the case may

be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income tax".

To illustrate, as on April 01, 2019:

- the maximum amount of income not chargeable to tax in case of individuals (other than senior citizens and super senior citizens) and HUFs is Rs 2,50,000
- in the case of every individual being a resident in India, who is of the age of 60 years or more but less than 80 years at any time during the Financial year (Senior Citizen) is Rs 3,00,000; and
- in the case of every individual being a resident in India, who is of the age of 80 years or more at any time during the Financial year (Super Senior Citizen) is Rs 5,00,000 for Financial Year 2019-20.

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

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

2. In case where tax has to be deducted at source while paying debenture interest, the Company is not required to deduct surcharge, education cess and secondary and higher education cess
3. As per Section 2(29A) of the IT Act, read with Section 2(42A) of the I.T. Act, a listed debenture is treated as a long term capital asset if the same is held for more than 12 months immediately preceding the date of its transfer.

However as per the third proviso to Section 48 of I.T. Act, benefit of indexation of cost of acquisition under second proviso of Section 48 of I.T. Act, is not available in case of bonds and debenture, except capital indexed bonds issued by the Government and the Sovereign Gold Bond issued by the Reserve Bank of India under the Sovereign Gold Bond Scheme, 2015. Thus, long term capital gains arising out of debentures would be subject to tax at the rate of 10 % computed without indexation.

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

4. Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act. The provisions relating to maximum amount not chargeable to tax described as above would also apply to such short term capital gains.
5. In case the debentures are held as stock in trade, by the Debenture holder the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act. Further, where the debentures are sold by the Debenture Holder(s) before maturity, the gains arising therefrom are generally treated as capital gains or business income, as the case may be. However, there is an exposure that the Indian Revenue Authorities (especially at lower level) may seek to challenge the said characterisation and hold such gains/income as interest income in the hands of such Debenture Holder(s). Further, cumulative or regular returns on debentures held till maturity would generally be taxable as interest income taxable under the head Income from other sources where debentures are held as investments or business income where debentures are held as trading asset / stock in trade.
6. As per Section 74 of the I.T. Act, short-term capital loss on debentures suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss on debentures suffered during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

II. To the Non Resident Debenture Holder.

1. A non-resident Indian has an option to be governed by Chapter XII-A of the I.T. Act, subject to the provisions contained therein which are given in brief as under:
 - a) As per Section 115E of the I.T. Act, interest income from debentures acquired or purchased with or subscribed to in convertible foreign exchange will be taxable at 20%, whereas, long term capital gains on transfer of such Debentures will be taxable at 10% of such capital gains without indexation of cost of acquisition. Short-term capital gains will be taxable at the normal rates of tax in accordance with and subject to the provisions contained therein.
 - b) As per Section 115F of the I.T. Act, long term capital gains arising to a non-resident Indian from transfer of debentures acquired or purchased with or subscribed to in convertible foreign exchange will be exempt from capital gain tax if the net consideration is invested within six months after the date of transfer of the debentures in any specified asset or in any saving certificates referred to in Section 10(4B) of the I.T. Act in accordance with and subject to the provisions contained therein. However, if the new assets are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the new assets are transferred or converted into money.
 - c) As per Section 115G of the I.T. Act, it shall not be necessary for a non-resident Indian to file a return of income under Section 139(1) of the I.T. Act, if his total income consists only of investment income as defined under Section 115C and/or long term capital gains earned on transfer of such investment acquired out of convertible foreign exchange, and the tax has been deducted at source from such income under the provisions of Chapter XVII-B of the I.T. Act in accordance with and subject to the provisions contained therein.
 - d) As per Section 115H of the I.T. Act, where a non-resident Indian becomes a resident in India in any subsequent year, he may furnish to the Assessing Officer a declaration in writing along with return of income under Section 139 for the assessment year for which he is assessable as a resident, to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income (other than on shares in an Indian Company) derived from any foreign exchange assets in accordance with and subject to the provisions contained therein. On doing so, the provisions of Chapter XII-A shall continue to apply to him in relation to such income for that assessment year and for every subsequent assessment year until the transfer or conversion (otherwise than by transfer) into money of such assets.
2. In accordance with and subject to the provisions of Section 115I of the I.T. Act, a Non-Resident Indian may opt not to be governed by the provisions of Chapter XII-A of the I.T. Act. In that case,
 - a) Long term capital gains on transfer of listed debentures would be subject to tax at the rate of 10% computed without indexation.
 - b) Investment income and Short-term capital gains on the transfer of listed debentures, where debentures are held for a period of not more than 12 months preceding the date of transfer, would be taxed at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act
 - c) Where debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act.
3. Under Section 195 of the I.T. Act, the applicable rate of tax deduction at source is. 20% on investment income and 10% on any long-term capital gains as per Section 115E, and 30% for Short Term Capital Gains if the payee Debenture Holder is a Non Resident Indian.
4. As per Section 74 of the I.T. Act, short-term capital loss suffered during the year is allowed to be setoff against short-term as well as long-term capital gains of the said year. Balance loss, if any could

be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered (other than the long-term capital assets whose gains are exempt under Section 10(38) of the I.T. Act) during the year is allowed to be set-off only against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent year's long-term capital gains.

5. Interest on application money and interest on refund application would be subject to tax at the normal rates of tax in accordance with and subject to the provisions of the I.T. Act and such tax would need to be withheld at the time of credit/payment as per the provisions of Section 195 of the I.T. Act. The income tax deducted shall be increased by surcharge as under:
 - (a) In the case of non-resident Indian surcharge at the rate of 10% of such tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds Rs. 50,00,000 and does not exceed Rs 1,00,00,000 and 15 % of such tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds Rs. 1,00,00,000.
 - (b) In case of foreign companies, where the income paid or likely to be paid exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000 a surcharge of 2% of such tax liability is payable and when such income paid or likely to be paid exceeds Rs. 10,00,00,000, surcharge at 5% of such tax is payable.
 - (c) In case of domestic companies, where the income paid or likely to be paid exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000 a surcharge of 7% of such tax liability is payable and when such income paid or likely to be paid exceeds Rs. 10,00,00,000, surcharge at 12% of such tax is payable.
 - (d) Further, 4% health and education cess on the total income tax (including surcharge) is also deductible.
6. As per Section 90(2) of the I.T. Act read with the Circular no. 728 dated October 30, 1995 issued by the Central Board of Direct Taxes, in the case of a remittance to a country with which a Double Tax Avoidance Agreement (DTAA) is in force, the tax should be deducted at the rate provided in the Finance Act of the relevant year or at the rate provided in the DTAA, whichever is more beneficial to the assessee. However, submission of tax residency certificate (TRC), is a mandatory condition for availing benefits under any DTAA. If the tax residency certificate does not contain the prescribed particulars as per CBDT Notification 57/2013 dated August 1, 2013, a self-declaration in Form 10F would need to be provided by the assessee along with TRC
7. Alternatively, to ensure non deduction or lower deduction of tax at source, as the case may be, the Debenture Holder should furnish a certificate under Section 195(2) and 195(3) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest. However, an application for the issuance of such certificate would not be entertained in the absence of PAN as per the provisions of Section 206AA of the I.T. Act.
8. Where, debentures are held as stock in trade, the income on transfer of debentures would be taxed as business income or loss in accordance with and subject to the provisions of the I.T. Act. Further, where the debentures are sold by the Debenture Holder(s) before maturity, the gains arising there from are generally treated as capital gains or business income, as the case may be. However, there is an exposure that the Indian Revenue Authorities (especially at lower level) may seek to challenge the said characterisation and hold such gains/income as interest income in the hands of such Debenture Holder(s). Further, cumulative or regular returns on debentures held till maturity would generally be taxable as interest income taxable under the head Income from other sources where debentures are held as investments or business income where debentures are held as trading asset / stock in trade.

III. To the Foreign Institutional Investors (FIIs)

1. As per Section 2(14) of the I.T. Act, any securities held by FIIs/FPIs which has invested in such securities in accordance with the regulations made under the Securities and Exchange Board of India Act, 1992, shall be treated as capital assets. Accordingly, any gains arising from transfer of such securities shall be chargeable to tax in the hands of FIIs as capital gains.
2. In accordance with and subject to the provisions of Section 115AD of the I.T. Act, long term capital gains exceeding Rs 1 lakh on transfer of debentures by FIIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of Section 48 of the I.T. Act will not apply.
3. Income other than capital gains arising out of debentures is taxable at 20% (plus applicable surcharge and cess) in accordance with and subject to the provisions of Section 115AD.
4. Section 194LD in the I.T. Act provides for lower rate of withholding tax at the rate of 5% on payment by way of interest paid by an Indian company to FIIs and Qualified Foreign Investor in respect of rupee denominated bond of an Indian company between June 1, 2013 and July 1, 2020 provided such rate does not exceed the rate as may be notified by the Government. In addition to that, applicable surcharge and cess will also be deducted.
5. In accordance with and subject to the provisions of Section 196D(2) of the I.T. Act, no deduction of tax at source is applicable in respect of capital gains arising on the transfer of debentures by FIIs.
6. The CBDT has issued a Notification No. 9 dated 22 January 2014 which provides that Foreign Portfolio Investors (FPI) registered under SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be treated as FII for the purpose of Section 115AD of the I.T. Act.

IV. To Mutual Funds

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

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

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

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

As per the provisions of Section 54F of the I.T. Act, any long-term capital gains on transfer of a long term capital asset (not being residential house) arising to a Debenture Holder who is an individual or Hindu Undivided Family, is exempt from tax if the entire net sales consideration is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of residential house within three years from the date of transfer subject to conditions. If part of such net sales consideration is invested within the prescribed period in a residential house, then such gains would be chargeable to tax on a proportionate basis.

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

1. Sec.139A(5A)

Section 139A(5A) requires every person from whose income tax has been deducted at source under chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deduction of tax at source.

2. Sec.206AA:

- (a) Section 206AA of the I.T. Act requires every person entitled to receive any sum, on which tax is deductible under Chapter XVIIB ('deductee') to furnish his PAN to the deductor, failing which attracts tax shall be deducted at the higher of the following rates:
 - (i) at the rate specified in the relevant provision of the I.T. Act; or
 - (ii) at the rate or rates in force; or
 - (iii) at the rate of twenty per cent.
- (b) A declaration under Section 197A(1) or 197A(1A) or 197A(1C) shall not be valid unless the person furnishes his PAN in such declaration and the deductor is required to deduct tax as per Para (a) above in such a case.
- (c) Where a wrong PAN is provided, it will be regarded as non furnishing of PAN and Para (a) above will apply.
- (d) As per Rule 37BC, the higher rate under section 206AA shall not apply to a non resident, not being a company, or to a foreign company, in respect of payment of interest, if the non-resident deductee furnishes the prescribed details inter alia TRC and Tax Identification Number (TIN).

VIII. Taxability of Gifts received for nil or inadequate consideration

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

- (i) without any consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;
- (ii) for a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures computed in the manner prescribed by law as exceeds such consideration;

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

Notes forming part of statement of tax benefits

- 1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of debentures/bonds.
- 2. The above statement covers only certain relevant benefits under the Income-tax Act, 1961 and does not cover benefits under any other law.
- 3. The above statement of possible tax benefits is as per the current direct tax laws relevant for the Assessment Year 2020-21 (considering the amendments made by Finance Act, 2019).
- 4. This statement is intended only to provide general information to the Debenture Holders and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax

consequences, each Debenture Holder is advised to consult his/her/its own tax advisor with respect to specific tax consequences of his/her/its holding in the debentures of the Company.

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

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

The Reformatted Financial Statements of the Issuer included in this Tranche II Prospectus are presented in accordance with Indian GAAP, which differs from Indian Accounting Standards (“**IndAS**”) in certain respects. The Ministry of Corporate Affairs (“**MCA**”), in its press release dated January 18, 2016, issued a roadmap for implementation of IndAS converged with IFRS for non-banking financial companies, scheduled 50 commercial banks, insurers, and insurance companies, which was subsequently confirmed by the RBI through its circular dated February 11, 2016. The notification further explains that NBFCs having a net worth of ₹ 50,000 lakh or more as of March 31, 2016, shall comply with IndAS for accounting periods beginning on or after April 1, 2018, with comparatives for the periods ending on March 31, 2018. Therefore, the Issuer would be subject to this notification.

“*Summary of Significant Differences among Indian GAAP and IndAS*”, does not present all differences between Indian GAAP and IndAS. Consequently, there can be no assurance that those are the only differences in the accounting principles that could have a significant impact on the financial information included in this Tranche II Prospectus. Furthermore, the Issuer has made no attempt to identify or quantify the impact of these differences or any future differences between Indian GAAP and IndAS which may result from prospective changes in accounting standards. The Issuer has not considered matters of Indian GAAP presentation and disclosures, which also differ from IndAS. Further, accounting treatment mentioned hereunder may or may not apply to us partially or fully or may apply in amended form based on additional factors considered at the time of presentation of Audited Financial Statement for the year ended March 31, 2019. In making an investment decision, investors must rely upon their own examination of the Issuer’s business, the terms of the offerings and the financial information included in this Tranche II Prospectus. Potential investors should consult with their own professional advisors for a more thorough understanding of the differences between Indian GAAP and IndAS and how those differences might affect the financial information included in this Tranche II Prospectus. The Issuer cannot assure that it has completed a comprehensive analysis of the effect of IndAS on future financial information or that the application of IndAS will not result in a materially adverse effect on the Issuer’s future financial information.

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
1.	Presentation of Financial Statements	<p><u>Other Comprehensive Income:</u> There is no concept of ‘Other Comprehensive Income’ under Indian GAAP.</p>	<p><u>Other Comprehensive Income:</u> Ind AS 1 introduces the concept of Other Comprehensive Income (“OCI”). Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other Ind AS. Such recognition of income and expenses in OCI is primarily governed by the income recognition norms and classification of financial instruments and assets as “Fair Value through OCI</p>
		<p><u>Extraordinary items:</u> Under Indian GAAP, extraordinary items are disclosed separately in the statement of profit and loss and are included in the determination of net profit or loss for the period. Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.</p>	<p><u>Extraordinary items:</u> Under Ind AS, presentation of any items of income or expense as extraordinary is prohibited.</p>

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
		<p><u>Change in Accounting Policies:</u> Indian GAAP requires changes in accounting policies to be presented in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material.</p> <p>If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed.</p>	<p><u>Change in Accounting Policies:</u> Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.</p>
2.	Deferred Taxes	Under Indian GAAP, the Company determines deferred tax to be recognized in the financial statements with reference to the income statement approach i.e. with reference to the timing differences between profit offered for income taxes and profit as per the financial statements.	<p>As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/ liabilities and their respective tax base.</p> <p>Using the balance sheet approach, there could be additional deferred tax charge/income on account of all Ind AS opening balance sheet adjustments</p>
3.	Property, plant and equipment – reviewing depreciation and residual value	Under Indian GAAP, the Company currently provides depreciation on straight line method over the useful lives of the assets estimated by the Management.	<p>Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value shall be taken prospectively.</p> <p>Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost under Ind AS</p>
4.	Accounting for Employee benefits	Currently, all actuarial gains and losses are recognized immediately in the statement of profit and loss.	<p>Under Ind AS 19, the change in liability is split into changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and re-measurements.</p> <p>Changes due to service cost and net interest cost/ income need to be recognized in the income statement and the changes arising out of re-measurements comprising of actuarial gains and losses</p>

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
			representing changes in the present value of the defined benefit obligation resulting from experience adjustment and effects of changes in actuarial assumptions are to be recognized directly in OCI.
5.	Provisions, contingent liabilities and contingent assets	Under Indian GAAP, provisions are recognised only under a legal obligation. Also, discounting of provisions to present value is not permitted	Under IND AS, provisions are recognised for legal as well as constructive obligations. IND AS requires discounting the provisions to present value, if the effect of time value of money is material
6.	Share based payments	Under Indian GAAP, company has an option to account for share based payments on the basis of intrinsic value or fair value. The company followed the intrinsic value method and gave a disclosure for the fair valuation.	Under Ind AS, the share based payments have to be mandatorily accounted basis the fair value and the same has to be recorded in the Statement of Profit or Loss over the vesting period. The fair valuation of the unvested options as on the transition date have to be adjusted against retained earnings
7.	Presentation and classification of Financial Instruments and subsequent measurement	<p>Currently, under Indian GAAP, the financial assets and financial liabilities are recognised at the transaction value. The Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any permanent diminution in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value.</p> <p>Financial liabilities are carried at their transaction values. Disclosures under Indian GAAP are limited.</p> <p>Currently under Indian GAAP, loan processing fees and/or fees of similar nature are recognized upfront in the Statement of Profit and Loss.</p>	<p>Ind AS 109 requires all financial assets and financial liabilities to be recognised on initial recognition at fair value. Financial assets have to be either classified as measured at amortized cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognized entirely in profit or loss, (FVTPL), or recognized in other comprehensive income (FVOCI). Financial assets include equity and debts investments, security receipts, interest free deposits, loans, trade receivables etc. Assets classified at amortized cost and FVOCI and the related revenue (including interest subsidy, processing fees and fees of similar nature) net of related costs have to be measured using the Effective Interest Rate (EIR) method.</p> <p>Loan processing fees and/or fees of similar nature would be measured and recognised using the Effective Interest Rate (EIR) method over the period of loan.</p> <p>There are two measurement categories for financial liabilities – FVTPL and amortized cost. Liabilities classified at amortized cost and the related expenses (processing cost & fees) have to be</p>

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
			<p>measured using the Effective Interest Rate (EIR) method.</p> <p>Fair value adjustment on transition shall be adjusted against opening retained earnings on the date of transition. Disclosures under Ind AS are extensive</p>
8.	Financial Instruments - Impairment	Under Indian GAAP, the Company assesses the provision for doubtful debts at each reporting period, which in practice, is based on relevant information like past experience, financial position of the debtor, cash flows of the debtor, guidelines issued by the regulator etc.	The impairment model in Ind AS is based on expected credit losses and it applies equally to debt instruments measured at amortised cost or FVOCI, financing receivables, lease receivables, trade receivables and certain written loan commitments and financial guarantee contracts.
9.	Segment Reporting	Under Indian GAAP there is a requirement to identify two sets of segments (business and geographical), using a risks and rewards approach, with the entity's system of internal financial reporting to key management personnel serving only as the starting point for the identification of such segments.	Operating segments are identified based on the financial information that is regularly reviewed by the chief operating decision maker in deciding how to allocate resources and in assessing performance.
10.	Financial Instruments - Disclosure	<p>Currently there are no detailed disclosure requirements for financial instruments. However, the ICAI has issued an Announcement in December 2005 requiring the following disclosures to be made in respect of derivative instruments in the financial statements:</p> <ul style="list-style-type: none"> • Category-wise quantitative data about derivative instruments that are outstanding at the balance sheet date; • The purpose, viz., hedging or speculation, for which such derivative instruments have been acquired; and • The foreign currency exposures that are not hedged by a derivative instrument or otherwise. 	<p>Requires disclosure of information about the nature and extent of risks arising from financial instruments:</p> <ul style="list-style-type: none"> • qualitative disclosures about exposures to each type of risk and how those risks are managed; and • quantitative disclosures about exposures to each type of risk, separately for credit risk, liquidity risk and market risk (including sensitivity analysis).

SECTION IV: ISSUE RELATED INFORMATION

TERMS OF THE ISSUE

Authority for the Tranche II Issue

At the meeting of the Board of Directors of our Company, held on May 16, 2018, the Directors approved the issuance to the public of secured redeemable non-convertible debentures of face value of ₹ 1,000 and unsecured redeemable non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 60,000 million.

The present Issue through the Shelf Prospectus of Secured NCDs of face value of ₹ 1,000 for an amount upto ₹ 40,000 million (“**Shelf Limit**”), hereinafter called the “**Issue**” was approved by NCD Committee meeting dated January 09, 2019.

The present Tranche II Issue through this Tranche II Prospectus of Secured NCDs with a base issue size of ₹ 1,000 million, with an option to retain oversubscription up to an amount of ₹ 9,000 million, aggregating up to ₹ 10,000 million, was approved by the NCD Committee at its meeting dated May 03, 2019.

Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders’ vide their resolution dated September 25, 2014.

Principal terms and conditions of this Tranche II Issue

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

Ranking of the Secured NCDs

The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of a first pari passu charge on the identified immovable property and first pari passu charge on current assets, book debts, loans and advances, and receivables including gold loan receivables, both present and future. The Secured NCDs proposed to be issued under the Tranche II Issue and all earlier issues of debentures outstanding in the books of our Company having corresponding assets as security, shall rank pari passu without preference of one over the other except that priority for payment shall be as per applicable date of redemption. The Company is required to obtain permissions / consents from the prior creditors in favour of the debenture trustee for creation of such pari passu charge. The Company had applied to the prior creditors for such permissions / consents and has obtained all permissions / consents from such creditors thereby enabling it to file the Shelf Prospectus and this Tranche II Prospectus.

Debenture Redemption Reserve

Section 71 of the Companies Act, 2013, read with Rule 18 made under Chapter IV of the Companies Act, 2013, requires that any company that intends to issue debentures must create a DRR for the purpose of redemption of debentures, in accordance with the following conditions: (a) the DRR shall be created out of the profits of the company available for payment of dividend, (b) the DRR shall be equivalent to at least 25% of the value of the outstanding debentures issued through the public issue in accordance with the SEBI Debt Regulations in case of NBFCs registered with the RBI and no DRR is required in the case of privately placed debentures. Accordingly, our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through the Tranche II 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. Every company required to create or maintain DRR shall before the 30th day of April of each year, deposit or invest, as the case may be, 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, following any one or more of the 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 amount deposited or invested, as the case

may be, shall not be utilised for any purpose other than for the repayment of debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the 31st day of March of that year. This may have a bearing on the timely redemption of the NCDs by our Company.

Face Value

The face value of each of the Secured NCDs shall be ₹ 1,000.00.

NCD Holder not a shareholder

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

Rights of the Secured 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 to the extent applicable as on the date of this Tranche II Prospectus, confer upon the Secured NCD Holders thereof any rights or privileges available to our members including the right to receive notices, or to attend and/or vote, at our general meeting. However, if any resolution affecting the rights attached to the Secured NCDs is to be placed before the members, the said resolution will first be placed before the concerned registered Secured NCD Holders for their consideration. In terms of section 136 of the Companies Act, the Secured NCD Holders shall be entitled to inspect a copy of the balance sheet and copy of trust deed at the registered office of the Company during business hours.
2. Subject to applicable statutory/ regulatory requirements, including requirements of the RBI, 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. In case of Secured NCDs held in (i) dematerialised form, the person for the time being appearing in the register of beneficial owners of the Depository; and (ii) physical form, the registered Secured NCD Holders or in case of joint-holders, the one whose name stands first in the register of debenture holders shall be entitled to vote in respect of such Secured NCDs, either in person or by proxy, at any meeting of the concerned Secured NCD Holders and every such Secured NCD Holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights on every resolution placed before such meeting of the 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, applicable provisions of the Companies Act, 2013, our Memorandum and Articles of Association, the terms of this Tranche II Prospectus, the Shelf Prospectus, the terms and conditions of the Debenture Trust Deed, requirements of the RBI, other applicable statutory and/or regulatory requirements relating to the issue and listing, of securities and any other documents that may be executed in connection with the Secured NCDs.
5. For Secured NCDs in physical form, a register of debenture 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 debenture holders as on the Record Date. For Secured NCDs in dematerialized form, all interest and principal sums becoming due and payable in respect of the Secured NCDs will be paid to the person for the time being appearing in the register of beneficial owners of the Depository. In terms of Section 88(3) of the Companies Act, 2013, the register of beneficial owners 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 debenture holders for this purpose. The same shall be maintained at the Registered Office of the Issuer under Section 94 of the Companies Act, 2013 unless the same has been moved to another location after obtaining the consent of the NCD holders as given thereunder.

6. Subject to compliance with RBI requirements, Secured NCDs can be rolled over only with the consent of the Secured NCD Holders of at least 75.00% 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 shall redeem the debt securities of all the debt securities holders, who have not given their positive consent to the roll-over.

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

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue, i.e. ₹ 750 million. If our Company does not receive the minimum subscription of 75% of the Base Issue, i.e. ₹ 750 million within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within the timelines prescribed under Applicable Law. 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.

Market Lot and Trading Lot

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

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

Allotment in the Tranche II Issue will be in electronic form in multiples of one NCD. For details of Allotment see the section titled "*Issue Procedure*" at page 100 of this Tranche II Prospectus.

Nomination facility to NCD Holders

In accordance with section 72 of the Companies Act, 2013, the sole NCD Holder or first NCD Holder, along with other joint NCD Holders (being individual(s)) may nominate any one person (being an individual) who, in the event of death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the NCDs. A person, being a nominee, becoming entitled to the NCDs by reason of the death of the NCD Holder(s), shall be entitled to the same rights to which he would be entitled if he were the registered holder of the NCD. Where the nominee is a minor, the NCD Holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to the NCDs, in the event of his death, during the minority. A nomination shall stand rescinded upon sale of the NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such NCD Holders. Fresh nominations can be made only in the prescribed form available on request at our Registered/ Corporate Office, at such other addresses as may be notified by us, or at the office of the Registrar to the Issue or the transfer agent.

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

In accordance with the Section 72 read with Rules under Chapter IV of Companies Act, 2013, any person who becomes a nominee by virtue of the above said Section, shall upon the production of such evidence as may be required by our Board, elect either:

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

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

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

A person, being a nominee, becoming entitled to Secured NCDs by reason of the death of the Secured NCD Holder shall be entitled to the same interests and other advantages to which he would have been entitled to if he were the registered Secured NCD Holder except that he shall not, before being registered as a Secured NCD Holder in respect of such Secured NCDs, be entitled in respect of these Secured NCDs to exercise any right conferred by subscription to the same in relation to meetings of the Secured NCD Holders convened by the Company. Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Secured NCDs, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of interests, bonuses or other moneys payable in respect of the said Secured NCDs, until the requirements of the notice have been complied with.

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

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

Succession

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

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

Jurisdiction

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

Tranche II Issue programme

TRANCHE II ISSUE OPENS ON	May 10, 2019
TRANCHE II ISSUE CLOSES ON	June 10, 2019

The subscription list 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 II Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Committee. In the event of such an early closure of or extension subscription list of the Tranche II Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or extended date of closure.

Applications Forms for this Tranche II Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange, on Working Days during the Tranche II Issue Period. On the Tranche II Issue Closing Date, Application Forms will be accepted only from 10:00 a.m. till 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchange.

Due to limitation of time available for uploading the Applications on the electronic platform of the Stock Exchange on the Tranche II Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Tranche II Issue Closing Date and, no later than 3.00 p.m. (Indian Standard Time) on the Tranche II Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Tranche II 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 II Issue. Application Forms will only be accepted on Working Days during the Tranche II Issue Period. Neither our Company, nor the Members of the Syndicate are liable for any failure in uploading the Applications due to failure in any software/ hardware systems or otherwise. As per the SEBI circular dated October 29, 2013, the allotment in the Tranche II Issue should be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

Restriction on transfer of NCDs

There are currently no restrictions on transfers and transmission of NCDs and on their consolidation/ splitting except as may be required under applicable statutory and/or regulatory requirements including any RBI requirements and/or as provided in our Articles of Association. Please see the section titled “*Summary of the Key Provisions of the Articles of Association*” at page 239 of the Shelf Prospectus.

ISSUE STRUCTURE

Public issue by the Company of Secured NCDs of face value of ₹ 1,000 for an amount upto ₹ 40,000 million. The Tranche II Issue is with a base issue size of ₹ 1,000 million with an option to retain oversubscription upto an amount of ₹ 9,000 million, aggregating up to ₹ 10,000 million.

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

Particulars	Terms and Conditions
Minimum Application Size	₹ 10,000 (10 NCDs)
Mode of allotment	Compulsorily in dematerialised form.
Terms of Payment	Full amount on application
Trading Lot	1 (one) NCD
Who can apply	<p>Category I</p> <ul style="list-style-type: none"> Public financial institutions, statutory corporations, commercial banks, co-operative banks and RRBs and multilateral and bilateral development financial institutions which are authorised to invest in the NCDs; Provident funds, pension funds, superannuation funds and gratuity funds, which are authorised to invest in the NCDs; Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012; Resident Venture Capital Funds registered with SEBI; Insurance Companies registered with the IRDA; State industrial development corporations; Insurance funds set up and managed by the army, navy, or air force of the Union of India; Insurance funds set up and managed by the Department of Posts, the Union of India; Systemically Important Non- Banking Financial Company, a nonbanking financial company registered with the Reserve Bank of India and having a net-worth of more than five hundred crore rupees as per the last audited financial statements; National Investment Fund set up by resolution no. F. No. 2/3/2005 –DDII dated November 23,2005 of the Government of India published in the Gazette of India; and Mutual Funds registered with SEBI. <p>Category II</p> <ul style="list-style-type: none"> Companies; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs; 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. <p>Category III</p> <ul style="list-style-type: none"> High Net-worth Individual Investors ("HNIs") - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above INR 1,000,000 across all options of NCDs in the Tranche II Issue <p>Category IV</p> <ul style="list-style-type: none"> Retail Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including INR 1,000,000 across all options of NCDs in the Tranche II Issue

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

Participation by any of the above-mentioned investor classes in this Tranche II 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 Secured 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 II Issue.

For further details, please see “*Issue Procedure*” on page 100 of this Tranche II Prospectus.

TERMS AND CONDITIONS IN CONNECTION WITH THE NCDs **

Common Terms of NCDs

Issuer	Muthoot Finance Limited
Lead Managers	Edelweiss Financial Services Limited and A. K. Capital Services Limited
Debenture Trustee	IDBI Trusteeship Services Limited
Registrar to the Issue	Link Intime India Private Limited
Type and nature of instrument	Secured redeemable non-convertible debentures of face value of ₹ 1,000 each
Base Issue	₹ 1,000 million
Option to retain Oversubscription Amount	₹ 9,000 million.
Tranche II Issue Size	₹ 10,000 million
Shelf Limit	₹ 40,000 million
Mode of Issue	Public Issue
Issue	Public issue by our Company of Secured NCDs of face value of ₹ 1,000 each, for an amount up to ₹ 40,000 million ("Shelf Limit"), hereinafter referred to as the "Issue". The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant Tranche Prospectus for any Tranche Issue (each a "Tranche Issue")
Face Value (in ₹ / NCD)	₹ 1,000
Issue Price (in ₹ / NCD)	₹ 1,000
Minimum application	₹ 10,000 (10 NCDs) (for all options of NCDs, namely Option I, Option II, Option III, Option IV, Option V, Option VI, Option VII, Option VIII, Option IX and Option X).
In multiples of Seniority	₹ 1,000.00 (1 NCD) Senior (to clarify, the claims of the Secured NCD Holders shall be superior to the claims of any unsecured creditors, subject to applicable statutory and/or regulatory requirements). The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, present and future and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first <i>pari passu</i> charge on the identified immovable property and a first <i>pari passu</i> charge on current assets, book debts, loans and advances, and receivables including gold loan receivables, both present and future, of our Company.
Tranche II Issue	Public Issue by the Company of secured redeemable non-convertible debentures of face value of ₹ 1,000 each ("NCDs") for an amount of ₹ 1,000 million ("Base Issue") with an option to retain oversubscription up to ₹ 9,000 million aggregating upto 10,000,000 NCDs amounting to ₹ 10,000 million ("Tranche II Issue Limit") ("Tranche II Issue") which is within the shelf limit of ₹ 40,000 million and is being offered by way of this Tranche II Prospectus dated May 03, 2019 containing, inter alia, the terms and conditions of this Tranche II Issue ("Tranche II Prospectus"), which should be read together with the Shelf Prospectus dated February 05, 2019 ("Shelf Prospectus") filed with the Registrar of Companies, Kerala and Lakshadweep, the Stock Exchange and the SEBI.
Mode of Issue	Public Issue
Listing	BSE BSE shall be the Designated Stock Exchange for this Tranche II Issue.
Lock-in	The NCDs are proposed to be listed within 6 Working Days from the respective Tranche II Issue Closing Date.
Mode of Allotment and Trading	N.A.
Mode of settlement	NCDs will be issued and traded compulsorily in dematerialised form.
Trading Lot	Please refer to the section titled "Issue Structure" beginning on page 84 of this Tranche II Prospectus.
Depositories	One (1) NCD
Security	NSDL and CDSL Security for the purpose of this Tranche II Issue will be created in accordance with the terms of the Debenture Trust Deed. For further details please refer to the section titled "Issue Structure" beginning on page 84 of this Tranche II Prospectus.
Who can apply/ Eligible Investors	Please refer to the section titled "Issue Procedure" beginning on page 84 of this Tranche II Prospectus.
Credit Ratings	
</	

	ICRA	NCDs	"[ICRA] AA(Stable)"	December 31, 2018 and further revalidated by letters dated January 30, 2019 and April 24, 2019	Secured NCDs for ₹ 40,000.00 million rated "[ICRA] AA (Stable)"	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.
	CRISIL	NCDs	"CRISIL AA/Stable"	January 18, 2019 and further revalidated by letters dated January 31, 2019 and April 22, 2019	Secured NCDs for ₹ 40,000.00 million rated "CRISIL AA/Stable"	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.
	Please refer to pages 151 to 177 of this Tranche II Prospectus for rating letter and rationale for the above ratings. Please refer to the disclaimer clause of ICRA and CRISIL on page 14 under the chapter " <i>General Information</i> " of this Tranche II Prospectus.					
	Application Date. The entire Application Amount is payable on Application.					
	The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.					
	The Tranche II Issue shall be open from May 10, 2019 to June 10, 2019 with an option to close earlier and/or extend upto a period as may be determined by the NCD Committee					
	Please refer to the section titled " <i>Objects of the Issue</i> " on page 65 of this Tranche II Prospectus.					
	Please refer to the section titled " <i>Objects of the Issue</i> " on page 65 of this Tranche II Prospectus.					
	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 84 of this Tranche II Prospectus.					
	N.A.					
Pay-in date	Fixed					
Record Date	N.A.					
Tranche II Issue Schedule*	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 84 of this Tranche II Prospectus.					
Objects of the Issue	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 84 of this Tranche II Prospectus.					
Details of the utilisation of Issue proceeds	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 84 of this Tranche II Prospectus.					
Coupon rate, coupon payment date and redemption premium/discount	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 84 of this Tranche II Prospectus.					
Step up/ Step down interest rates	N.A.					
Interest type	Fixed					
Interest reset process	N.A.					
Tenor	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 84 of this Tranche II Prospectus.					
Coupon payment frequency	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 84 of this Tranche II Prospectus.					
Redemption date	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 84 of this Tranche II Prospectus.					
Redemption Amount	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 84 of this Tranche II Prospectus.					
Day count convention	Actual/Actual					
Working Days convention/Day count convention / Effect of holidays on payment	All days excluding the second and the fourth Saturday of every month, Sundays and a public holiday in Kochi or Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to Tranche II Issue Period where working days shall mean all days, excluding Saturdays, Sundays and public holidays in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche II Issue Closing Date to the listing of the NCDs, Working Days shall be all trading days of stock exchanges excluding Sundays and bank holidays in Mumbai.					
	Interest shall be computed on a 365 days-a-year basis on the principal outstanding on the NCDs. However, if period from the Deemed Date Of Allotment / anniversary date of Allotment till one day prior to the next anniversary / redemption date includes February 29, interest shall be computed on 366 days a-year basis, on the principal outstanding on the NCDs.					

	If the date of payment of interest or any date specified does not fall on a Working Day, then the succeeding Working Day will be considered as the effective date for such payment of interest, as the case may be (the “ Effective Date ”). Interest or other amounts, if any, will be paid on the Effective Date. For avoidance of doubt, in case of interest payment on Effective Date, interest for period between actual interest payment date and the Effective Date will be paid in normal course in next interest payment date cycle. Payment of interest will be subject to the deduction of tax as per Income Tax Act, 1961 or any statutory modification or re-enactment thereof for the time being in force. In case the Maturity Date falls on a holiday, the maturity proceeds will be paid on the immediately previous Working Day along with the coupon/interest accrued on the NCDs until but excluding the date of such payment.	
Tranche II Issue Opening Date		May 10, 2019
Tranche II Issue Closing Date		June 10, 2019
Default interest rate		In the event of any default in fulfillment of obligations by our Company under the Debenture Trust Deeds, the default interest rate payable to the applicant shall be as prescribed under the Debenture Trust Deeds.
Put/Call Date/Price	Option	N.A.
Deemed Date of Allotment		The date on which the Board or the duly authorised committee of the Board constituted by resolution of the Board dated May 16, 2018 approves the Allotment of the NCDs for the Tranche II Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.
Transaction documents		Issue Agreement dated January 28, 2019 between our Company and the Lead Managers, the Registrar Agreement dated January 28, 2019 with the Registrar to the Issue, the Public Issue Account Agreement dated May 02, 2019 with the Public Issue Account Bank and the Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated May 02, 2019 with the Lead Brokers and Lead Managers, the Debenture Trustee Agreement dated January 28, 2019 executed between our Company and the Debenture Trustee and the Debenture Trust Deed to be executed between our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Tranche II Issue and to protect the interest of NCD Holders under the Tranche II Issue.
Conditions precedent and subsequent to the Tranche II Issue		The conditions precedent and subsequent to disbursement will be finalised upon execution of the Debenture Trust Deed.
Events of default		Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 99 of this Tranche II Prospectus.
Cross Default		Please refer to the section titled “ <i>Issue Structure-Events of default</i> ” on pages 99 of this Tranche II Prospectus.
Roles and responsibilities of the Debenture Trustee		Please refer to the section titled “ <i>Issue Structure-Trustees for the Secured NCD Holders</i> ” on page 99 of this Tranche II Prospectus.
Governing law and jurisdiction		This Tranche II Issue shall be governed in accordance with the laws of the Republic of India and shall be subject to the exclusive jurisdiction of the courts of Mumbai.

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

* The subscription list 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 II Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Committee. In the event of such an early closure of or extension subscription list of the Tranche II Issue, our Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in a national daily newspaper with wide circulation on or before such earlier date or extended date of closure. Applications Forms for the Tranche II Issue will be accepted only from 10:00 a.m. till 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE, on Working Days during the Tranche II Issue Period. On the Tranche II Issue Closing Date, Application Forms will be accepted only between 10:00 a.m. to 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.

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

Nature of the Secured NCDs****

We are offering Secured NCDs which shall have a fixed rate of interest. The Secured NCDs will be issued at a face value of ₹ 1,000.00 per NCD. Interest on the Secured NCDs shall be payable in the manner, as set out hereinafter. The terms of the Secured NCDs offered pursuant to the Tranche II Issue are as follows:

Terms and conditions in connection with Secured NCDs**** Options	I	II	III	IV	V	VI	VII	VIII	IX	X
Frequency of Interest Payment	Monthly*	Monthly*	Monthly*	Annually**	Annually**	Annually**	NA	NA	NA	NA
Who can apply	All categories of investors (Category I, II, III and IV)									
Minimum Application In multiples of	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)
Face Value of NCDs (₹ / NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)	₹ 1,000.00 (1 NCD)
Issue Price (₹ / NCD)	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Tenor from Deemed Date of Allotment	24 months	38 months	60 months	24 months	38 months	60 months	24 months	38 months	60 months	90 months
Coupon Rate	9.25%	9.50%	9.75%	9.50%	9.75%	10.00%	NA	NA	NA	NA
Effective Yield (Per annum)*****	9.25%	9.50%	9.75%	9.50%	9.75%	10.00%	9.25%	9.50%	9.75%	9.67%
Mode of Payment	Through various options available									
Amount (₹ / NCD) on Maturity****	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,193.56	₹ 1,333.72	₹ 1,592.29	₹ 2,000.00
Maturity Date (From Deemed Date of Allotment)	24 months	38 months	60 months	24 months	38 months	60 months	24 months	38 months	60 months	90 months
Nature of indebtedness	Secured redeemable non-convertible									

* With respect to Options where interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such NCDs, and paid on the first day of every subsequent month. For the first interest payment for NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.

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

*** Subject to applicable tax deducted at source, if any

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

***** On Options I, II and III, monthly interest payment is not assumed to be reinvested for the purpose of calculation of Effective Yield (per annum).

Our Company would allot the Option IV NCDs, as specified in this Tranche II Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant option of NCDs.

Interest and Payment of Interest

For avoidance of doubt, with respect to Option I, Option II, Option III for Secured NCDs where interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such Secured NCDs, and paid on the first day of every subsequent month. For the first interest payment for Secured NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month.

With respect to Option IV, Option V and Option VI where interest is to be paid on an annual basis, relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the Secured NCDs. The last interest payment under Annual options will be made at the time of redemption of the Secured NCDs.

A. Interest

In case of Option I Secured NCDs, interest would be paid on a monthly basis at 9.25% per annum to all categories of investors. Option I Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 24 months from the Deemed Date of Allotment.

In case of Option II Secured NCDs, interest would be paid on a monthly basis at 9.50% per annum to all categories of investors. Option II Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 38 months from the Deemed Date of Allotment.

In case of Option III Secured NCDs, interest would be paid on a monthly basis at 9.75% per annum to all categories of investors. Option III Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

In case of Option IV Secured NCDs, interest would be paid on an annual basis at 9.50% per annum to all categories of investors. Option IV Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 24 months from the Deemed Date of Allotment.

In case of Option V Secured NCDs, interest would be paid on an annual basis at 9.75% per annum to all categories of investors. Option V Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 38 months from the Deemed Date of Allotment.

In case of Option VI Secured NCDs, interest would be paid on an annual basis at 10.00% per annum to all categories of investors. Option VI Secured NCDs shall be redeemed at the Face Value thereof along with the interest accrued thereon, if any, at the end of 60 months from the Deemed Date of Allotment.

Option VII Secured NCDs shall be redeemed at ₹ 1,193.56 for all categories of investors at the end of 24 months from the Deemed Date of Allotment.

Option VIII Secured NCDs shall be redeemed at ₹ 1,333.72 for all categories of investors at the end of 38 months from the Deemed Date of Allotment.

Option IX Secured NCDs shall be redeemed at ₹ 1,592.29 for all categories of investors at the end of 60 months from the Deemed Date of Allotment.

Option X Secured NCDs shall be redeemed at ₹ 2,000.00 for all categories of investors at the end of 90 months from the Deemed Date of Allotment.

If the date of interest payment falls on the second or fourth Saturday of any month, Sunday or a

public holiday in Kochi or Mumbai or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, then interest as due and payable on such day, would be paid on the next Working Day. Payment of interest would be subject to the deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force.

Please note that in case the Secured NCDs are transferred and/or transmitted in accordance with the provisions of this Tranche II Prospectus read with the provisions of the Articles of Association of our Company, the transferee of such Secured NCDs or the deceased holder of Secured NCDs, as the case may be, shall be entitled to any interest which may have accrued on the Secured NCDs subject to such Transferee holding the Secured NCDs on the Record Date.

Taxation

As per clause (ix) of Section 193 of the I.T. Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the rules made thereunder. Accordingly, no tax will be deducted at source from the interest on listed Secured NCDs held in the dematerialised form.

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

Tax exemption certificate/document, if any, must be lodged at the office of the Registrar at least seven days prior to the Record Date or as specifically required, failing which tax applicable on interest will be deducted at source on accrual thereof in our Company's books and/or on payment thereof, in accordance with the provisions of the IT Act and/or any other statutory modification, enactment or notification as the case may be. A tax deduction certificate will be issued for the amount of tax so deducted.

Payment of Interest

For Secured NCDs subscribed under Option I, Option II, Option III, interest is to be paid on a monthly basis, relevant interest will be calculated from the first day till the last date of every month during the tenor of such Secured NCDs, and paid on the first day of every subsequent month. For the first interest payment for Secured NCDs under the monthly options, interest from the Deemed Date of Allotment till the last day of the subsequent month will be clubbed and paid on the first day of the month next to that subsequent month. On Option IV, Option V, Option VI, the relevant interest will be paid on each anniversary of the Deemed Date of Allotment on the face value of the Secured NCD and the last interest payment under annual Options will be made at the time of redemption of the Secured NCDs. The last interest payment for Secured NCDs subscribed under Option I, Option II, Option III, Option IV, Option V and Option VI will be made at the time of redemption of the Secured NCD.

On Option VII, Option VIII, Option IX and Option X NCDs shall be redeemed at the end of 24 months, 38 months, 60 months and 90 months from the Deemed Date of Allotment.

Amount of interest payable shall be rounded off to the nearest Rupee. If the date of interest payment falls on the second or fourth Saturday on any month, Sunday or a public holiday in Kochi or Mumbai or any other payment centre notified in terms of the Negotiable Instruments Act, 1881, then interest as due and payable on such day, would be paid on the next Working Day. Payment of interest would be subject to the

deduction as prescribed in the I.T. Act or any statutory modification or re-enactment thereof for the time being in force.

Interest for each of the interest periods shall be calculated, on the face value of principal outstanding on the Secured NCDs at the applicable Coupon Rate for each Category rounded off to the nearest Rupee and same shall be paid annually. Interest shall be computed on a 365 days-a-year basis on the principal outstanding on the NCDs. However, if period from deemed date of allotment/anniversary date of allotment till one day prior to next anniversary date/redemption date includes February 29th, interest shall be computed on 366 days a-year basis.

Payment of Interest to Secured NCD Holders

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

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

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to Secured NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details see the section titled “*Issue Structure - Manner of Payment of Interest / Refund / Redemption*” beginning at pages 93 of this Tranche II Prospectus.

Maturity and Redemption

For Secured NCDs subscribed under Option I, Option II, Option III, Option IV, Option V, Option VI the relevant interest will be paid in the manner set out in “*Issue Structure- Payment of Interest*” at page 91. The last interest payment will be made at the time of redemption of the Secured NCD. On Option VII, Option VIII, Option IX and Option X shall be redeemed at the end of 24 months, 38 months, 60 months and 90 months from the Deemed Date of Allotment.

Options	Maturity period/Redemption (as applicable)
I	24 months from the Deemed Date of Allotment
II	38 months from the Deemed Date of Allotment
III	60 months from the Deemed Date of Allotment
IV	24 months from the Deemed Date of Allotment
V	38 months from the Deemed Date of Allotment
VI	60 months from the Deemed Date of Allotment
VII	24 months from the Deemed Date of Allotment
VIII	38 months from the Deemed Date of Allotment
IX	60 months from the Deemed Date of Allotment
X	90 months from the Deemed Date of Allotment

Deemed Date of Allotment

Deemed Date of Allotment shall be the date on which the Board or the NCD Committee of the Board constituted by resolution of the Board dated May 16, 2018 approves the Allotment of the NCDs for the Tranche II Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.

Application Size

Each application should be for a minimum of 10 NCDs and multiples of 1 NCD thereafter (for all options of NCDs, namely Option I, Option II, Option III, Option IV, Option V, Option VI, Option VII, Option VIII, Option IX and Option X either taken individually or collectively). The minimum application size for each application for Secured NCDs would be ₹ 10,000.00 and in multiples of ₹ 1,000.00 thereafter.

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

Terms of Payment

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

Record Date

The Record Date for payment of interest in connection with the Secured NCDs or repayment of principal in connection therewith shall be 15 (fifteen) days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the Secured NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of Secured NCDs and the date of redemption or as prescribed by the relevant stock exchange(s), as the case may be. In case Record Date falls on a day when stock exchanges are having a trading holiday, the immediate subsequent trading day, or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.

Manner of Payment of Interest / Refund / Redemption*

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

For Secured 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 interest / refund / redemption amounts 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 Registrar to the Issue will issue requisite instructions to the relevant SCSBs to un-block amounts in the ASBA Accounts of the Applicants representing the amounts to be refunded to the Applicants.

For Secured NCDs held in physical form due to rematerialisation

The bank details will be obtained from the Registrar to the Issue for payment of interest / refund / redemption as the case may be.

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

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

1. Direct Credit

Investors having their bank account with the Refund Bank, shall be eligible to receive refunds, if any, through direct credit. The refund amount, if any, would be credited directly to their bank account with the Refund Banker. Interest / redemption amount would be credited directly to the bank accounts of the Investors, if held with the same bank as the Company.

2. **NACH**

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

3. **RTGS**

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

4. **NEFT**

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

5. **Registered Post/Speed Post**

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

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

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

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 Secured NCDs applied and held in dematerialized form, these particulars would be taken directly from the depositories. In case of Secured NCDs held in physical form either on account of rematerialisation or transfer, the Secured NCD Holders are advised to submit their bank account details with our Company/ Registrar to the Issue at least seven days prior to the Record Date failing which the orders/ warrants will be dispatched to the postal address of the Secured NCD Holders as available in the records of our Company either through speed post or registered post.

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

Loan against Secured NCDs

As per the RBI circular dated June 27, 2013, the Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. However, if the RBI subsequently permits the extension of loans by NBFCs against the security of its debentures issued by way of private placement or public issues, the Company may consider granting loans against the security of such Secured NCDs, subject to terms and conditions as may be decided by the Company at the relevant time, in compliance with applicable law.

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, buy-back the Secured NCDs, upon such terms and conditions as may be decided by our Company.

Form and Denomination

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**”). The Applicant can also request for the issue of Secured NCD certificates in denomination of one NCD (“**Market Lot**”). In case of NCDs held under different Options by a Secured NCD Holder, separate Consolidated Certificates will be issued to the NCD Holder for the aggregate amount of the Secured NCDs held under each Option.

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

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

Procedure for Redemption by Secured 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 debenture 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 Secured NCD certificates) be surrendered for redemption on maturity and should be sent by the Secured NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. Secured NCD Holders may be requested to surrender the Secured NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

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

Secured NCDs held in electronic form:

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

Payment on Redemption

The manner of payment of redemption is set out below*.

Secured NCDs held in physical form

The payment on redemption of the Secured 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 Secured NCD certificates, duly discharged by the sole holder/ all the joint-holders (signed on the reverse of the Secured NCD certificates). Despatch of cheques/ pay orders, etc. in respect of such payment will be made on the redemption date or (if so requested by our Company in this regard) within a period of 30 days from the date of receipt of the duly discharged NCD certificate.

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

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

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

Secured NCDs held in electronic form

On the redemption date, redemption proceeds would be paid by cheque/ pay order/ electronic mode to those Secured 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 Secured 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 Secured NCDs. It may be noted that in the entire process mentioned above, no action is required on the part of Secured NCD Holders.

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

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

* In the event, the interest / payout of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹1,837.5, then the amount shall be rounded off to ₹ 1,838.

Right to reissue Secured NCD(s)

Subject to the provisions of the Companies Act, 1956 and the Companies Act, 2013, as applicable on the date of this Tranche II Prospectus, where we have fully redeemed or repurchased any Secured NCDs, we shall have and shall be deemed always to have had the right to keep such Secured NCDs in effect without extinguishment thereof, for the purpose of resale or re-issue and in exercising such right, we shall have and be deemed always to have had the power to resell or reissue such Secured NCDs either by reselling or re-issuing the same Secured NCDs or by issuing other Secured NCDs in their place. The aforementioned right includes the right to reissue original Secured NCDs.

Transfer/Transmission of Secured NCD(s)

For Secured NCDs held in physical form

The Secured NCDs shall be transferred or transmitted freely in accordance with the applicable provisions of the

Companies Act/ the Companies Act, 2013 applicable as on the date of this Tranche II Prospectus and all other applicable laws including FEMA and the rules and regulations thereunder. The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Articles, the Companies Act/the relevant provisions of the Companies Act, 2013 applicable as on the date of this Tranche II Prospectus, and all applicable laws including FEMA and the rules and regulations thereunder, shall apply, *mutatis mutandis* (to the extent applicable to debentures) to the Secured NCDs as well. In respect of the Secured NCDs held in physical form, a common form of transfer shall be used for the same. The Secured NCDs held in dematerialised form shall be transferred subject to and in accordance with the rules/ procedures as prescribed by NSDL/CDSL and the relevant Depository Participants of the transferor and the transferee and any other applicable laws and rules notified in respect thereof. The transferees should ensure that the transfer formalities are completed at prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the register of debenture holders or the records as maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferors and not with the Issuer or Registrar.

For Secured NCDs held in electronic form

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

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

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

Any trading of the NCDs issued pursuant to this Tranche II Issue shall be compulsorily in dematerialized form only.

Title

In case of:

- Secured NCDs held in the dematerialised form, the person for the time being appearing in the register of beneficial owners maintained by the Depository; and
- the Secured NCDs held in physical form, the person for the time being appearing in the register of NCD Holders as Secured 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 whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated NCD Certificates issued in respect of the Secured NCDs and no person will be liable for so treating the Secured 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 of beneficial owners 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 the NCD Holders maintained by the Depositories and/or our Company and/or the Registrar, as the case may be. In such cases, claims, if any, by the purchasers of the Secured NCDs will need to be settled with the seller of the Secured 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/ the relevant provisions of the Companies Act, 2013 applicable as on the date of this Tranche II Prospectus shall apply, *mutatis mutandis* (to the extent applicable) to the Secured NCD(s) as well.

Common form of transfer

The Issuer undertakes that there shall be a common form of transfer for the Secured NCDs and the provisions of the Companies Act, 2013 and all applicable laws including the FEMA and the rules and regulations thereunder shall be duly complied with in respect of all transfer of debentures and registration thereof.

Joint-holders

Where two or more persons are holders of any Secured 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.

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 Secured 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 Secured NCD Holders required to be given by us or the Debenture Trustee will be sent by speed post or registered post or through email or other electronic media to the registered Secured NCD Holders from time to time.

Issue of Duplicate NCD Certificate(s) issued in physical form

If NCD certificate(s) is/ are mutilated or defaced or the cages for recording transfers of Secured 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 Secured NCD certificates shall be issued. Upon issuance of a duplicate NCD certificate, the original NCD certificate shall stand cancelled.

Security

The principal amount of the Secured NCDs to be issued in terms of this Tranche II Prospectus together with all interest due on the Secured NCDs, as well as all costs, charges, all fees, remuneration of Debenture Trustee and expenses payable in respect thereof shall be secured by way of first *pari passu* charge on the identified immovable property and a first *pari passu* charge on current assets, book debts, loans and advances, and receivables including gold loan receivables, both present and future, of our Company.

Our Company will create the security for the Secured NCDs in favour of the Debenture Trustee for the Secured NCD Holders on the assets to ensure 100.00% security cover of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time.

Our Company has entered into an agreement with the Debenture Trustee, (**'Debenture Trust Deed'**), the terms of which governs the appointment of the Debenture Trustee and the issue of the Secured NCDs. Our Company proposes to complete the execution of the Debenture Trust Deed before finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange and utilize the funds only after the stipulated security has been created and upon receipt of listing and trading approval from the Designated Stock Exchange.

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

The Debenture Trust Deed will also provide that our Company may withdraw any portion of the security and replace with another asset of the same or a higher value.

Trustees for the Secured NCD holders

We have appointed IDBI Trusteeship Services Limited to act as the Debenture Trustees for the Secured NCD Holders. The Debenture Trustee and us will execute a Debenture Trust Deed, *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and us. The 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 authorised officials to do all such acts, deeds, matters and things in respect of or relating to the Secured NCDs as the Debenture Trustee may in its absolute discretion deem necessary or require to be done in the interest of the Secured NCD Holders. Any payment made by us to the Debenture Trustee on behalf of the Secured NCD Holders shall discharge us pro tanto to the Secured NCD Holders.

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

Events of Default:

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

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

Lien

As per the RBI circular dated June 27, 2013, the Company is not permitted to extend loans against the security of its debentures issued by way of private placement or public issues. The Company shall have the right of set-off and lien, present as well as future on the moneys due and payable to the Secured NCD holders or deposits held in the account of the Secured NCD holders, whether in single name or joint name, to the extent of all outstanding dues by the Secured NCD holders to the Company, subject to applicable law.

Lien on pledge of Secured NCDs

The Company may, at its discretion note a lien on pledge of Secured NCDs if such pledge of Secured NCD is accepted by any third party bank/institution or any other person for any loan provided to the Secured NCD holder against pledge of such Secured NCDs as part of the funding, subject to applicable law.

Future Borrowings

We shall be entitled to make further issue of secured debentures and/or raise term loans or raise further funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency without the consent of, or notification to or consultation with the holder of Secured NCDs or the Debenture Trustee by creating a charge on any assets, provided the stipulated security cover is maintained.

We shall be entitled to make further issue of unsecured debentures and/or raise unsecured term loans or raise further unsecured funds from time to time from any persons, banks, financial institutions or bodies corporate or any other agency without the consent of, or notification to or in consultation with the holder of Secured NCDs or the Debenture Trustee.

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

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

ISSUE PROCEDURE

This section applies to all Applicants. Please note that all Applicants are required to ensure that the ASBA Account has sufficient credit balance such that the entire Application Amount can be blocked by the SCSB while making an Application. An amount equivalent to the full Application Amount will be blocked by the SCSBs in the relevant ASBA Accounts.

Applicants should note that they may submit their Applications to the Designated Intermediaries.

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

Please note that this section has been prepared based on the circular no. CIR/IMD/DF-1/20/2012 dated July 27, 2012 issued by SEBI as modified by circular (No. CIR/IMD/DF/18/2013) dated October 29, 2013 (“Debt Application Circular”) issued by SEBI and circular no. CIR/DDHS/P/121/2018 dated August 16, 2018 issued by SEBI (“Debt ASBA Circular”). The procedure mentioned in this section is subject to the Stock Exchanges putting in place the necessary systems and infrastructure for implementation of the provisions of the abovementioned circular, including the systems and infrastructure required in relation to Applications made through the Direct Online Application Mechanism and the online payment gateways to be offered by Stock Exchanges and accordingly is subject to any further clarifications, notification, modification, direction, instructions and/or correspondence that may be issued by the Stock Exchanges and/or SEBI. Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchange and the Stock Exchange 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 II Issue.

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

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

Please note that for the purposes of this section, the term “Working Day” shall mean with reference to Tranche II Issue Period where working days shall mean all days excluding the second and the fourth Saturday of every month, Sundays and a public holiday in Kochi or Mumbai or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881, except with reference to Tranche II Issue Period where working days shall mean all days, excluding Saturdays, Sundays and public holidays in India or at any other payment centre notified in terms of the Negotiable Instruments Act, 1881. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche II Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchange excluding Sundays and bank holidays in Mumbai.

Who can apply?

The following categories of persons are eligible to apply in the Tranche II Issue.

Category I

- Public financial institutions, statutory corporations, commercial banks, co-operative banks and RRBs and multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds, pension funds, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;
- Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
- Resident Venture Capital Funds registered with SEBI;
- Insurance Companies registered with IRDA;
- State industrial development corporations;
- Insurance funds set up and managed by the army, navy, or air force of the Union of India;
- Insurance funds set up and managed by the Department of Posts, the Union of India;
- Systemically Important Non- Banking Financial Company, a nonbanking financial company registered with the Reserve Bank of India and having a net-worth of more than five hundred crore rupees as per the last audited financial statements;
- National Investment Fund set up by resolution no. F. No. 2/3/2005 –DDII dated November 23,2005 of the Government of India published in the Gazette of India; and
- Mutual Funds registered with SEBI.

Category II

- Companies; bodies corporate and societies registered under the applicable laws in India and authorised to invest in the NCDs;
- 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

- High Net-worth Individual Investors ("HNIs") - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above INR 1,000,000 across all options of NCDs in the Tranche II Issue

Category IV

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

Participation of any of the aforementioned categories of persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities by such categories of persons or entities.

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

The Lead Managers and their respective associates and affiliates are permitted to subscribe in the Tranche II Issue.

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

How to apply?

Availability of the Draft Shelf Prospectus, the Shelf Prospectus, the Tranche II Prospectus, Abridged Prospectus and Application Forms

Please note that there is a single Application Form for all Applicants.

Copies of the Abridged Prospectus containing the salient features of the Shelf Prospectus, this Tranche II Prospectus together with Application Forms and copies of the Shelf Prospectus may be obtained from our Registered Office, the Lead Managers, the Registrar, the Lead Brokers and the Designated Branches of the SCSBs. Additionally the Shelf Prospectus, this Tranche II Prospectus and the Application Forms will be available

- (i) for download on the website of BSE at www.bseindia.com, and the website of the Lead Managers at www.edelweissfin.com and www.akgroup.co.in.
- (ii) at the designated branches of the SCSB and the Designated Intermediaries at the Syndicate ASBA Application Locations.

Electronic Application Forms will also be available on the website of the Stock Exchange. A hyperlink to the website of the Stock Exchange for this facility will be provided on the website of the Lead Managers and the SCSBs. Further, Application Forms will also be provided to Designated Intermediaries at their request.

Methods of Application

An eligible investor desirous of applying in the Tranche II Issue can make Applications only through the ASBA process

Applicants are requested to note that in terms of the Debt Application Circular, SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of debt securities with an online payment facility (“**Direct Online Application Mechanism**”). In this regard, SEBI has, through the Debt Application Circular, directed recognized stock exchanges in India to put in necessary systems and infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism infrastructure for the implementation of the Debt Application Circular and the Direct Online Application Mechanism. Please note that the Applicants will not have the option to apply for NCDs under the Tranche II 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 Exchange and the Stock Exchange 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 II Issue.

Applicants intending to subscribe in the Tranche II Issue shall submit a duly filled Application form to any of the Designated Intermediaries.

Applicants should submit the Application Form only at the Bidding Centres, i.e. to the respective Members of the Syndicate at the Specified Locations, the SCSBs at the Designated Branches, the Registered Broker at the Broker Centres, the CRTAs at the Designated RTA Locations or CDPs at the Designated CDP Locations. Kindly note that Application Forms submitted by Applicants at the Specified Locations will not be accepted if the SCSB with which the ASBA Account, as specified in the Application Form is maintained has not named at least one branch at that location for the Designated Intermediaries for deposit of the Application Forms. A list of such branches is available at <http://www.sebi.gov.in>.

The relevant Designated Intermediaries, upon receipt of physical Application Forms from ASBA Applicants, shall upload the details of these Application Forms to the online platform of the Stock Exchange and submit these Application Forms with the SCSB with whom the relevant ASBA Accounts are maintained.

An Applicant shall submit the Application Form, which shall be stamped at the relevant Designated Branch of the SCSB. Application Forms in physical mode, which shall be stamped, can also be submitted to be the Designated

Intermediaries at the Specified Locations. The SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application Form.

Our Company, the Directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to ASBA Applications accepted by the Designated Intermediaries, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount has been blocked in the relevant ASBA Account. Further, all grievances against Designated Intermediaries in relation to this Tranche II Issue should be made by Applicants directly to the relevant Stock Exchange.

Application Size

Each Application should be for a minimum of 10 NCDs and in multiples of one NCD thereafter for all options of NCDs, (namely Option I, Option II, Option III, Option IV, Option V, Option VI, Option VII, Option VIII, Option IX or Option X either taken individually or collectively).

APPLICATIONS BY VARIOUS APPLICANT CATEGORIES

Applications by Mutual Funds

A mutual fund scheme cannot invest more than 15.00% of its NAV in debt instruments issued by a single company which are rated not below investment grade by a credit rating agency authorised to carry out such activity. Such investment limit may be extended to 20.00% of the NAV of the scheme with the prior approval of the board of trustees and the board of asset management company.

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 the Application is being made. An Application Form by a mutual fund registered with SEBI for Allotment of the NCDs must be also accompanied by certified true copies of (i) its SEBI registration certificates (ii) the trust deed in respect of such mutual fund (iii) a 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 from a Mutual Fund for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Application by Scheduled Banks, Co-operative Banks and RRBs

Scheduled Banks, Co-operative Banks and RRBs can apply in this Tranche II Issue based upon their own investment limits and approvals. Applications by them for Allotment of the NCDs must be accompanied by certified true copies of (i) a board resolution authorising investments; and (ii) a letter of authorisation. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Application by Insurance Companies

In case of Applications for Allotment of the NCDs made by an Insurance Company, a certified copy of its certificate of registration issued by IRDA must be lodged along with Application Form. The Applications must be accompanied by certified copies of (i) its Memorandum and Articles of Association; (ii) a power of attorney (iii) a resolution authorising investment and containing operating instructions; and (iv) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by Alternative Investments Funds

Applications made by an Alternative Investments Fund eligible to invest in accordance with the Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012, must be accompanied by certified true copies of: (i) the SEBI registration certificate of such Alternative Investment Fund; (ii) a resolution authorising the investment and containing operating instructions; and (iii) specimen signatures of authorised

persons. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason thereof. Alternative Investment Funds applying for Allotment of the NCDs shall at all time comply with the conditions for categories as per their SEBI registration certificate and the Securities and Exchange Board of India (Alternate Investment Funds) Regulations, 2012.

Applications by Trusts

In case of Applications for Allotment of the NCDs made by trusts, settled under the Indian Trusts Act, 1882, or any other statutory and/or regulatory provision governing the settlement of trusts in India, Applicants must submit a (i) a certified copy of the registered instrument for creation of such trust; (ii) a 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 II Issue must ensure that (a) they are authorised 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 for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by Public Financial Institutions or statutory corporations, which are authorized to invest in the NCDs

Applications by Public Financial Institutions or statutory corporation for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

Applications made by companies, bodies corporate and registered societies for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

Applications by scientific and/ or industrial research organisations which are authorised to invest in the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which such Applicant is incorporated; (ii) a resolution of the board of directors of such Applicant authorising investments; and (iii) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

Applications made by partnership firms and limited liability partnerships formed and registered under the Limited Liability Partnership Act, 2008 must be accompanied by certified true copies of: (i) the partnership deed for such Applicants; (ii) any documents evidencing registration of such Applicant thereof under applicable statutory/regulatory requirements; (iii) a resolution authorizing the investment and containing operating instructions; and (iv) specimen signature of authorized persons of such Applicant. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

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

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

In case of Applications made pursuant to a power of attorney by Applicants from Category II and Category III, a certified copy of the power of attorney must be lodged along with the Application Form.

In case of physical Applications made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the Application Form. Failing this, our Company, in consultation with the Lead Managers, reserves the right to reject such Applications.

Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney along with the Application Forms subject to such terms and conditions that our Company and the Lead Managers may deem fit.

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

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the NCDs, for Allotment of the NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any, in favour of one or more trustees thereof, (iii) a board resolution authorising investments; (iv) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (v) specimen signature of authorized person; (vi) a certified copy of the registered instrument for creation of such fund/trust; and (vii) any tax exemption certificate issued by Income Tax authorities. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications by National Investment Funds

Application made by a National Invest Fund for Allotment of the NCDs must be accompanied by certified true copies of: (i) a resolution authorising investment and containing operating instructions; and (ii) specimen signatures of authorized persons. Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the NCDs in whole or in part, in either case, without assigning any reason therefor.

Applications cannot be made by:

- (a) Minors without a guardian name (A guardian may apply on behalf of a minor. However, the name of the guardian will need to be mentioned on the Application Form);
- (b) Foreign nationals;
- (c) Persons resident outside India;
- (d) Foreign Institutional Investors;
- (e) Non Resident Indians;
- (f) Qualified Foreign Investors;
- (g) Overseas Corporate Bodies;
- (h) Foreign Venture Capital Funds;
- (i) Persons ineligible to contract under applicable statutory/ regulatory requirements.

The Registrar shall verify the above on the basis of the records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded onto the electronic system of the Stock Exchanges by the Designated Intermediaries.

APPLICATIONS FOR ALLOTMENT OF NCDs

Submission of Applications

This section is for the information of the Applicants proposing to subscribe to the Tranche II Issue. The Lead Managers and our Company are not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Tranche II Prospectus. Applicants are advised to make their independent investigations and to ensure that the Application Form is correctly filled up.

Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar to the Issue shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by and/or uploaded by and/or accepted but not uploaded by Lead Brokers, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms from the Applicants in the Tranche II Issue, or Applications accepted and uploaded without blocking funds in the ASBA Accounts by SCSBs. It shall be presumed that for Applications uploaded by SCSBs, the Application Amount payable on Application has been blocked in the relevant ASBA Account. The list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive Application Forms from the Members of the Syndicate is available on the website of SEBI (<http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>) and updated from time to time or any such other website as may be prescribed by SEBI from time to time. For more information on such branches collecting Application Forms from the Members of the Syndicate at Specified Locations, see the website of the SEBI <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes> as updated from time to time or any such other website as may be prescribed by SEBI from time to time. The list of Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the CRTAs at the Designated CRTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Applications can be submitted through either of the following modes:

- (a) Physically or electronically to the Designated Branches of the SCSB(s) with whom an Applicant's ASBA Account is maintained. In case of Application in physical mode, the Applicant shall submit the Application Form at the relevant Designated Branch of the SCSB(s). The Designated Branch shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account and shall also verify that the signature on the Application Form matches with the Applicant's bank records, as mentioned in the Application Form, prior to uploading such 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 Application and shall not upload such 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 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 being made in the electronic mode, the Applicant shall submit the Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such Application.

- (b) Physically through the Designated Intermediaries at the respective Bidding Centres. Kindly note that above Applications submitted to any of the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account is maintained, as specified in the Application Form, has not named at least one branch at that Bidding Center where the Application Form is submitted (a list of such branches is available at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

Upon receipt of the Application Form by the Designated Intermediaries, an acknowledgement shall be issued by the relevant Designated Intermediary, giving the counter foil of the Application Form to the Applicant as proof of having accepted the Application. Thereafter, the details of the Application shall be uploaded in the electronic system of the Stock Exchanges and the Application Form shall be forwarded to the relevant branch of the SCSB,

in the relevant Collection Center, named by such SCSB to accept such Applications from the Designated Intermediaries (a list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>). Upon receipt of the Application Form, the relevant branch of the SCSB shall perform verification procedures including verification of the Applicant's signature with his bank records and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form. If sufficient funds are not available in the ASBA Account, the relevant Application Form is liable to be rejected. If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form. The Application Amount shall remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted NCDs to the Public Issue Account(s), or until withdrawal/ failure of this Tranche II Issue or until withdrawal/ rejection of the Application Form, as the case may be.

Applicants must note that:

- (a) Physical Application Forms will be available with the Designated Branches of the SCSBs and with the Designated Intermediaries (other than Trading Members of the Stock Exchanges) at the respective Collection Centers; 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 II Issue Opening Date. Physical Application Forms will also be provided to the Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the electronic version of this Tranche II Prospectus is made available on their websites. The physical Application Form submitted to the Designated Intermediaries shall bear the stamp of the relevant Designated Intermediary. In the event the Application Form does not bear any stamp, the same shall be liable to be rejected.
- (b) The Designated Branches of the SCSBs shall accept Applications directly from Applicants only during the Tranche II Issue Period. The SCSB shall not accept any Application directly from Applicants after the closing time of acceptance of Applications on the Tranche II Issue Closing Date. However, the relevant branches of the SCSBs at Specified Locations can accept Application Forms from the Designated Intermediaries, after the closing time of acceptance of Applications on the Tranche II Issue Closing Date, if the Applications have been uploaded. For further information on the Tranche II Issue programme, please refer to “Issue Structure” on page 84 of this Tranche II Prospectus.
- (c) Physical Application Forms directly submitted to SCSBs should bear the stamp of SCSBs, if not, the same are liable to be rejected.

Please note that Applicants can make an Application for Allotment of NCDs in the dematerialized form only.

Submission of Direct Online Applications

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

In the event the Direct Online Application facility is implemented by the Stock Exchanges, relevant “know your customer” details of such Applicants will be validated online from the Depositories, on the basis of the DP ID and Client ID provided by them in the Application Form. On successful submission of a Direct Online Application, the Applicant will receive a system-generated unique application number (“UAN”) and an SMS or an e-mail confirmation on credit of the requisite Application Amount paid through the online payment facility with the Direct Online Application. On Allotment, the Registrar to the Issue shall credit NCDs to the beneficiary account of the Applicant and in case of refund, the refund amount shall be credited directly to the Applicant's bank account. Applicants applying through the Direct Online Application facility must preserve their UAN and quote their UAN in: (a) any cancellation/withdrawal of their Application; (b) in queries in connection with Allotment of Secured NCDs and/or refund(s); and/or (c) in all investor grievances/complaints in connection with the Tranche II Issue.

As per the Debt Application Circular issued by SEBI, the availability of the Direct Online Applications facility is subject to the Stock Exchanges putting in place the necessary systems and infrastructure, and accordingly the aforementioned disclosures are subject to any further clarifications, notification, modification deletion, direction, instructions and/or correspondence that may be issued by the Stock

Exchanges and/or SEBI.

Payment instructions

An Applicant shall specify details of the ASBA Account Number in the Application Form and the relevant SCSB shall block an amount equivalent to the Application Amount in the ASBA Account specified in the Application Form. Upon receipt of intimation from the Registrar to this Tranche II Issue, the SCSBs shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account in terms of the Public Issue Account Agreement. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 6 (six) Working Days of the Tranche II 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 II Issue or until rejection of the Application, as the case may be.

Additional information for Applicants

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

Filing of the Shelf Prospectus and Tranche II Prospectus with ROC

A copy of the Shelf Prospectus and the Tranche II Prospectus has been filed with the ROC in accordance with section 26 and section 31 of the Companies Act, 2013.

Pre-Issue Advertisement

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

INSTRUCTIONS FOR FILLING-UP THE APPLICATION FORM

General Instructions

A. General instructions for completing the Application Form

- Applications must be made in prescribed Application Form only;
- Application Forms must be completed in block letters in English, as per the instructions contained in the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus, the Abridged 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 must be for a minimum of 10 (Ten) NCDs and in multiples of 1 NCD thereafter. For the purpose of fulfilling the requirement of minimum application size of 10 (Ten) NCDs, an Applicant may choose to apply for 10 (Ten) NCDs or more in a single 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;
- The Designated Intermediaries or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping and returning to the Applicants the acknowledgement slip. This acknowledgement slip will serve as the duplicate of the Application Form for the records of the Applicant. Applicants must ensure that the requisite documents are attached to the Application Form prior to submission and receipt of acknowledgement from the relevant Designated Intermediaries or the Designated Branch of the SCSBs, as the case may be.
- Every Applicant should hold a valid 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.
- 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 and also ensure that the signature in the Application Form matches with the signature in Applicant’s bank records, otherwise the Application is liable to be rejected
- Applicants 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 Designated Intermediaries, the Registrar will obtain from the Depository the Demographic Details. Invalid accounts, suspended accounts or where such account is classified as invalid or suspended may not be considered for Allotment of the NCDs. If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder, in accordance with the instructions provided in the Application Form. Not more than five Applications can be made from one single ASBA Account;
- For Applicants, the Applications in physical mode should be submitted to the SCSBs or a member of the Syndicate or to the Trading Members of the Stock Exchanges on the prescribed Application Form. SCSBs may provide the electronic mode for making Application either through an internet enabled banking facility or such other secured, electronically enabled mechanism for Application and blocking funds in the ASBA Account;
- Application Forms should bear the stamp of the Member of the Syndicate, Trading Member of the Stock Exchanges, Designated Intermediaries and/or Designated Branch of the SCSB. Application Forms which do not bear the stamp will be rejected.

The series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries in the data entries as such data entries will be considered for allotment.

Applicants should note that neither the Designated Intermediaries nor the SCSBs, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms.

B. Applicant’s Beneficiary Account Details

Applicants 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 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 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 is liable to be rejected. Further, Application Forms submitted by Applicants whose beneficiary accounts are inactive, will be rejected. On the basis of the Demographic details as appearing on the records of the DP, the Registrar to the Issue will issue Allotment Advice 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 delivery of Allotment Advice at the Applicants’ sole risk, and neither our Company, the Lead Managers, Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries, Bankers to the Issue, SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same. In case of Applications made

under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of power of attorney to request the Registrar that for the purpose of printing particulars on the Allotment Advice, the demographic details obtained from the Depository of the Applicant shall be used.

By signing the Application Form, the Applicant would have deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records. The Demographic Details given by Applicant in the Application Form would not be used for any other purpose by the Registrar to the Issue except in relation to the Tranche II 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 Secured NCDs pursuant to the Tranche II 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 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 general index register number i.e. 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 made in 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 first named in the Application 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, subject to a minimum application size of ₹ 10,000/- and in multiples of ₹ 1,000 thereafter as specified in this Tranche II Prospectus. **Any Application for an amount below the aforesaid minimum application size will be deemed as an invalid application and shall be rejected.** 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 HUF 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 Tranche II Issue, Applications shall be grouped based on the PAN, i.e. Applications under the same PAN shall be grouped together and treated as one Application. Two or more Applications will be deemed to be multiple Applications if the sole or first Applicant is one and the same. For the sake of clarity, two or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first Applicant is one and the same.

Do's and Don'ts

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

Do's

1. Check if you are eligible to apply as per the terms of the Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II 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 II Issue;
4. Ensure that the DP ID and Client ID and PAN mentioned in the Application Form, which shall be entered into the electronic system of the Stock Exchange are correct and match with the DP ID, Client ID and PAN available in the Depository database. Ensure that the DP ID and Client ID are correct and beneficiary account is activated. The requirement for providing Depository Participant details shall be mandatory for all Applicants;
5. Ensure that you have mentioned the correct ASBA Account number in the Application Form;
6. Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the ASBA account holder;
7. Ensure that you have funds equal to the Application Amount in the ASBA Account before submitting the Application Form to the respective Designated Branch of the SCSB, or to the Designated Intermediaries, as the case may be;
8. Ensure that the Application Forms are submitted at the Designated Branches of SCSBs or the Bidding Centres provided in the Application Forms, bearing the stamp of the relevant Designated Intermediaries/Designated branch of the SCSB as the case may be;
9. Before submitting the Application Form with the Designated Intermediaries ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that relevant Bidding Centre;
10. Ensure that you have been given an acknowledgement as proof of having accepted the Application Form;
11. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic application platform of the Stock Exchanges as per the procedures and requirements prescribed by each relevant Stock Exchanges, 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 BSE, fields namely, quantity, series, application no., sub-category codes will not be allowed for modification during the Tranche II Issue. In such a case the date of the fresh Application will be considered for date priority for allotment purposes;
12. Ensure that signatures other than in the languages specified in the 8th Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
13. Ensure that you mention your PAN in the Application Form. In case of joint Applicants, the PAN of all the Applicants should be provided, and for HUFs, PAN of the HUF should be provided. Any Application Form without the PAN is liable to be rejected. Applicants should not submit the GIR Number instead of the PAN as the Application is liable to be rejected on this ground;
14. In case of an HUF applying through its Karta, the Applicant is required to specify the name of an Applicant in the Application Form as 'XYZ Hindu Undivided Family applying through PQR', where PQR is the name of the Karta. However, the PAN number of the HUF should be mentioned in the Application Form and not that of the Karta;
15. Ensure that the Applications are submitted to the Designated Intermediaries, or Designated Branches of the SCSBs, as the case may be, before the closure of application hours on the Tranche II Issue Closing Date. For further information on the Tranche II Issue programme, please refer to "**Issue Structure**" on page 84 of this Tranche II Prospectus.
16. **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;
17. 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;
 18. All Applicants are requested to tick the relevant column “Category of Investor” in the Application Form.

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

SEBI Circular No. CIR/DDHS/P/121/2018 dated August 16, 2018 stipulating the time between closure of the Tranche II Issue and listing at 6 (six) Working Days. In order to enable compliance with the above timelines, investors are advised to use ASBA facility only to make payment.

Don'ts:

1. Do not apply for lower than the minimum application size;
2. Do not pay the Application Amount in cash, by cheque, by money order or by postal order or by stock invest;
3. Do not send Application Forms by post instead submit the same to the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be;
4. Do not submit the Application Form to any non-SCSB bank or our Company.
5. Do not submit an Application Form that does not have the stamp of the relevant Designated Intermediary or the Designated Branch of the SCSB, as the case may be.
6. Do not fill up the Application Form such that the NCDs applied for exceeds the Tranche II Issue size and/or investment limit or maximum number of NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
7. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
8. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue;
9. Do not submit the Application Forms without ensuring that funds equivalent to the entire Application Amount are available for blocking in the relevant ASBA Account;
10. Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
11. Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
12. Do not submit an Application in case you are not eligible to acquire NCDs under applicable law or your relevant constitutional documents or otherwise;
13. Do not submit Application Forms to a Designated Intermediary at a location other than Collection Centers;
14. Do not submit an Application that does not comply with the securities law of your respective jurisdiction;
15. Do not apply if you are a person ineligible to apply for NCDs under the Tranche II 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); and
16. Do not make an application of the NCD on multiple copies taken of a single form.
17. Payment of Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts shall not be accepted in the Tranche II Issue; and
18. Do not submit more than five Application Forms per ASBA Account.

Kindly note that Applications submitted to the Designated Intermediaries will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that location for the Designated Intermediaries to deposit such Application Forms. (A list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>).

Please refer to “Rejection of Applications” on page 115 of this Tranche II Prospectus for information on

rejection of Applications.

TERMS OF PAYMENT

The Application Forms will be uploaded onto the electronic system of the Stock Exchanges and deposited with the relevant branch of the SCSB at the Specified City named by such SCSB to accept such Applications from the Designated Intermediaries, (a list of such branches is available at <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>). The relevant branch of the SCSB shall perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the Application.

The entire Application Amount for the NCDs is payable on Application only. The relevant SCSB shall block an amount equivalent to the entire Application Amount in the ASBA Account at the time of upload of the Application Form. In case of Allotment of lesser number of NCDs than the number applied, the Registrar to the Issue shall instruct the SCSBs to unblock the excess amount in the ASBA Account. For Applications submitted directly to the SCSBs, the relevant SCSB shall block an amount in the ASBA Account equal to the Application Amount specified in the Application, before entering the Application into the electronic system of the Stock Exchanges. SCSBs may provide the electronic mode of application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account. **Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the Application to the Designated Intermediaries, or to the Designated Branches of the SCSBs. An Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.**

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 II Issue or until withdrawal/ rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved and upon receipt of intimation from the Registrar, the controlling branch of the SCSB shall, on the Designated Date, transfer such blocked amount from the ASBA Account to the Public Issue Account. The balance amount remaining after the finalisation of the Basis of Allotment shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB within 6 (six) Working Days of the Tranche II 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 II Issue or until rejection of the Application, as the case may be.

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.

SUBMISSION OF COMPLETED APPLICATION FORMS

Mode of Submission of Application Forms	To whom the Application Form has to be submitted
Applications	(i) If using <u>physical Application Form</u> , (a) to the Designated Intermediaries at relevant Bidding Centres or (b) to the Designated Branches of the SCSBs where the ASBA Account is maintained; or (ii) If using <u>electronic Application Form</u> , to the SCSBs, electronically through internet banking facility, if available.

Please note that clarifications and/or confirmations regarding the implementation of the requisite infrastructure and facilities in relation to direct online applications and online payment facility have been sought from the Stock Exchanges.

No separate receipts will be issued for the Application Amount payable on submission of Application Form.

However, the Designated Intermediaries, will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants an acknowledgement slips which will serve as a duplicate Application Form for the records of the Applicant.

Electronic Registration of Applications

- (a) The Designated Intermediaries and Designated Branches of the SCSBs, as the case may be, will register the Applications using the on-line facilities of the Stock Exchanges. Direct Online Applications will be registered by Applicants using the online platform offered by the Stock Exchanges. **The Lead Managers, our Company and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the Applications accepted by the SCSBs, (ii) the Applications uploaded by the SCSBs, (iii) the Applications accepted but not uploaded by the SCSBs, (iv) with respect to Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, or (v) any Applications accepted and uploaded and/or not uploaded by the Trading Members of the Stock Exchange or (vi) the Applications accepted by and/or uploaded by and/or accepted but not uploaded by Lead Brokers, Trading Members, Registered Brokers, CDPs, CRTAs and SCSBs who are authorised to collect Application Forms**

In case of apparent data entry error by the Designated Intermediaries or Designated Branches of the SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchanges. However, the series, mode of allotment, PAN, demat account no. etc. should be captured by the relevant Designated Intermediaries or Designated Branches of the SCSBs in the data entries as such data entries will be considered for allotment/rejection of Application.

- (b) The Stock Exchanges will offer an electronic facility for registering Applications for the Tranche II Issue. This facility will be available on the terminals of the Designated Intermediaries and the SCSBs during the Tranche II Issue Period. The Designated Intermediaries can also set up facilities for off-line electronic registration of Applications subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for Applications on a regular basis, and before the expiry of the allocated time on the Tranche II Issue Closing Date. On the Tranche II Issue Closing Date, the Designated Intermediaries and the Designated Branches of the SCSBs shall upload the Applications till such time as may be permitted by the Stock Exchanges. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Tranche II 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 Tranche II Issue programme, please refer to “**Issue Structure**” on page 84 of this Tranche II Prospectus.
- (c) With respect to Applications submitted directly to the SCSBs at the time of registering each Application, other than Direct Online Applications, the Designated Branches of the SCSBs shall enter the requisite details of the Applicants in the on-line system including:
- Application Form number
 - PAN (of the first Applicant, in case of more than one Applicant)
 - Investor category and sub-category
 - DP ID
 - Client ID
 - Number of NCDs applied for
 - Price per NCD
 - Bank code for the SCSB where the ASBA Account is maintained
 - Bank account number
 - Application amount
- (d) With respect to Applications submitted to the Designated Intermediaries at the time of registering each Application, the requisite details of the Applicants shall be entered in the on-line system including:
- Application Form number

- PAN (of the first Applicant, in case of more than one Applicant)
 - Investor category and sub-category
 - DP ID
 - Client ID
 - Number of NCDs applied for
 - Price per NCD
 - Bank code for the SCSB where the ASBA Account is maintained
 - Location
 - Application amount
- (e) A system generated acknowledgement will be given to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement from the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be. The registration of the Application by the Designated Intermediaries and the Designated Branches of the SCSBs, as the case may be, does not guarantee that the NCDs shall be allocated/ Allotted by our Company. The acknowledgement will be non-negotiable and by itself will not create any obligation of any kind.**
- (f) Applications can be rejected on the technical grounds listed on page 115 of this Tranche II Prospectus or if all required information is not provided or the Application Form is incomplete in any respect.
- (g) The permission given by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Tranche II Prospectus; nor does it warrant that the NCDs will be listed or will continue to be listed on the Stock Exchanges.
- (h) **Only Applications that are uploaded on the online system of the Stock Exchanges shall be considered for allocation/ Allotment.** The Lead Managers, Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured is accurate the, Designated Intermediaries and the Designated Branches of the SCSBs will be given up to one Working Day after the Tranche II Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche II 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) Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (ii) Applications accompanied by cash, draft, cheques, money order or any other mode of payment other than amounts blocked in the Applicant's ASBA Account maintained with an SCSB;
- (iii) Applications not being signed by the sole/joint Applicant(s);
- (iv) Investor Category in the Application Form not being ticked;
- (v) Application Amount blocked being higher or lower than the value of NCDs Applied for. However, our Company may allot NCDs up to the number of NCDs Applied for, if the value of such NCDs Applied for exceeds the minimum Application size;
- (vi) Applications where a registered address in India is not provided for the Applicant;

- (vii) In case of partnership firms (except LLPs), NCDs applied for in the name of the partnership and not the names of the individual partner(s);
- (viii) Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- (ix) 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;
- (x) DP ID and Client ID not mentioned in the Application Form;
- (xi) GIR number furnished instead of PAN;
- (xii) Applications by OCBs;
- (xiii) Applications for an amount below the minimum application size;
- (xiv) Submission of more than five Application per ASBA Account;
- (xv) Applications by persons who are not eligible to acquire NCDs of our Company in terms of applicable laws, rules, regulations, guidelines and approvals;
- (xvi) Applications under power of attorney or by limited companies, corporate, trust etc., submitted without relevant documents;
- (xvii) Applications accompanied by Stockinvest/ cheque/ money order/ postal order/ cash;
- (xviii) 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);
- (xix) Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
- (xx) Date of birth for first/sole Applicant (in case of Category III) not mentioned in the Application Form.
- (xxi) Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant
- (xxii) Signature of the ASBA Account holder on the Application Form does not match with the signature available on the SCSB bank's records where the ASBA Account mentioned in the Application Form is maintained;
- (xxiii) Application Forms submitted to the Designated Intermediaries or to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Intermediaries, as the case may be;
- (xxiv) 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) Inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds;
- (xxvii) SCSB making an Application (a) through an ASBA account maintained with its own self or (b) through an ASBA Account maintained through a different SCSB not in its own name or (c) through an ASBA Account maintained through a different SCSB in its own name, where clear demarcated funds are not present or (d) through an ASBA Account maintained through a different SCSB in its own name which ASBA Account is not utilised solely for the purpose of applying in public issues;
- (xxviii) Applications for amounts greater than the maximum permissible amount prescribed by the regulations and applicable law;
- (xxix) Authorization to the SCSB for blocking funds in the ASBA Account not provided;
- (xxx) Applications by persons prohibited from buying, selling or dealing in shares, directly or indirectly, by SEBI or any other regulatory authority;
- (xxxi) Applications by any person outside India;
- (xxxii) Applications by other persons who are not eligible to apply for NCDs under the Tranche II Issue under applicable Indian or foreign statutory/regulatory requirements;
- (xxxiii) Applications not uploaded on the online platform of the Stock Exchanges;
- (xxxiv) Applications uploaded after the expiry of the allocated time on the Tranche II Issue Closing Date, unless extended by the Stock Exchanges, as applicable;
- (xxxv) Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Tranche II Prospectus and as per the instructions in the Application Form, the Draft Shelf Prospectus, the Shelf Prospectus and this Tranche II Prospectus;
- (xxxvi) 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;
- (xxxvii) Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchanges, are not as per the records of the Depositories;

- (xxxviii) Applications providing an inoperative demat account number;
- (xxxix) Applications submitted to the Designated Intermediaries, at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and Applications submitted directly to the Public Issue Account Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- (xl) Category not ticked;
- (xli) Forms not uploaded on the electronic software of the Stock Exchanges; and/or
- (xlii) In case of cancellation of one or more orders within an Application, leading to total order quantity falling under the minimum quantity required for a single Application.

Kindly note that Applications submitted to the Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries 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 Lead Managers, or Trading Members of the Stock Exchanges, Members of the Syndicate, Designated Intermediaries, as the case may be, to deposit Applications.

Mode of making refunds

The mode of refund payments may be undertaken in the following modes:

i. 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.

ii. NACH

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

iii. RTGS

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

iv. NEFT

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

The Registrar shall instruct the relevant SCSB to unblock the funds in the relevant ASBA Account to the extent of the Application Amount specified in the Application Forms for withdrawn, rejected or unsuccessful or partially successful Applications within 5 (five) Working Days of the Tranche II Issue Closing Date.

Our Company and the Registrar shall credit the allotted NCDs to the respective beneficiary accounts, within 5 (five) Working Days from the Tranche II Issue Closing Date.

Further,

- (a) Allotment of NCDs in the Tranche II Issue shall be made within a time period of 4 (four) Working Days from the Tranche II Issue Closing Date;
- (b) Credit to dematerialised accounts will be given within one Working Day from the Date of Allotment;
- (c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund has not been effected within 5 (five) Working Days from the Tranche II Issue Closing Date, for the delay beyond 5 (five) Working Days; and
- (d) Our Company will provide adequate funds to the Registrar for this purpose.

Retention of oversubscription

Our Company shall have the option to retain oversubscription up to ₹ 9,000 million.

Basis of Allotment

The Registrar to the Issue will aggregate the Applications based on the Applications received through an electronic book from the Stock Exchange and determine the valid Applications for the purpose of drawing the Basis of Allotment. Grouping of the Applications received will be then done in the following manner:

Grouping of Applications and allocation ratio

For the purposes of the basis of allotment of Secured NCDs:

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

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

For the purposes of determining the number of Secured NCDs available for allocation to each of the abovementioned Portions, our Company shall have the discretion of determining the number of NCDs to be Allotted over and above the Base Issue, in case our Company opts to retain any oversubscription in the Tranche II Issue up to the Tranche II Issue Limit i.e. aggregating up to ₹ 10,000 million. The aggregate value of Secured NCDs decided to be Allotted over and above the Base Issue, (in case our Company opts to retain any oversubscription in the Tranche II Issue), and/or the aggregate value of NCDs up to the Base Issue shall be collectively termed as the "Tranche II Issue Limit".

Basis of Allotment for Secured NCDs

Allocation Ratio:

Institutional Portion	Non-Institutional Portion	High Net Worth Individual Investors Portion	Retail Individual Investors Portion
10%	10%	30%	50%

(a) Allotments in the first instance:

- (i) Applicants belonging to the Institutional Portion, in the first instance, will be allocated Secured NCDs upto 10% of Overall Tranche II Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- (ii) Applicants belonging to the Non-Institutional Portion, in the first instance, will be allocated Secured NCDs upto 10% of Overall Tranche II Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- (iii) Applicants belonging to the High Net Worth Individual Investors Portion, in the first instance, will be allocated Secured NCDs upto 30% of Overall Tranche II Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;
- (iv) Applicants belonging to the Retail Individual Investors Portion, in the first instance, will be allocated Secured NCDs upto 50% of Overall Tranche II Issue Size on first come first serve basis which would be determined on the date of upload of their Applications in to the electronic platform of the Stock Exchange;

Allotments, in consultation with the Designated Stock Exchange, shall be made on date priority basis i.e. a first-come first-serve basis, based on the date of upload of each Application in to the Electronic Book with Stock Exchange, in each Portion subject to the Allocation Ratio indicated at the section titled “*Issue Procedure – Basis of Allotment – Allotments in the first instance*” at page 119.

As per the SEBI circular dated October 29, 2013, the allotment in this Tranche II Issue is required to be made on the basis of date of upload of each application into the electronic book of the Stock Exchange. However, on the date of oversubscription, the allotments should be made to the applicants on proportionate basis.

- (b) Under Subscription: If there is any under subscription in any Category, priority in Allotments will be given to the Retail Individual Investors Portion, High Net Worth Individual Investors Portion, and balance, if any, shall be first made to applicants of the Non Institutional Portion, followed by the Institutional Portion on a first come first serve basis, on proportionate basis.
- (c) For each Category, all Applications uploaded on the same day onto the electronic platform of the Stock Exchange would be treated at par with each other. Allotment would be on proportionate basis, where Secured NCDs uploaded into the platform of the Stock Exchange on a particular date exceeds Secured NCDs to be Allotted for each portion respectively.
- (d) Minimum Allotments of 1 Secured NCD and in multiples of 1 Secured NCD thereafter would be made in case of each valid Application to all Applicants.
- (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 the 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 on the electronic platform of the 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 Secured NCDs being higher than the Tranche II 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 finalised by draw of lots in a fair and equitable manner.
- (g) **Applicant applying for more than one Options of Secured NCDs:** If an Applicant has applied for more than one Option of Secured NCDs and in case such Applicant is entitled to allocation of only a part of the aggregate number of Secured NCDs applied for, the Option-wise allocation of Secured NCDs to such Applicants shall be in proportion to the number of Secured NCDs with respect to each Options, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Manager and the Designated Stock Exchange. Further, in the aforesaid scenario, wherein the Applicant has applied for all the nine Options and in case such Applicant cannot be allotted all the nine series, then the Applicant would be allotted Secured NCDs, at the discretion of the Company, the Registrar and the Lead Managers wherein the Secured NCDs with the least tenor i.e. Allotment of Secured NCDs with tenor of 24 months followed by Allotment of Secured NCDs with tenor of 36 months and so on.
- (h) **Unblocking of Funds for withdrawn, rejected or unsuccessful or partially successful Applications:** The Registrar shall, pursuant to preparation of Basis of Allotment, instruct the relevant SCSB to unblock the funds in the relevant ASBA Account for withdrawn, rejected or unsuccessful or partially successful Applications within 6 (six) Working Days of the Tranche II Issue Closing Date.

All decisions pertaining to the basis of allotment of Secured NCDs pursuant to the Tranche II 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 Tranche II 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.

Our Company would allot Option IV Secured NCDs to all valid applications, wherein the applicants have selected only Secured NCDs, but have not indicated their choice of the relevant options of the Secured NCDs (Option I, Option II, Option III, Option IV, Option V, Option VI, Option VII, Option VIII, Option IX or Option X).

Applications where the Application Amount received is greater than the minimum Application Amount, and the Application Amount paid does not tally with the number of NCDs applied for may be considered for Allotment, to the extent of the Application Amount paid rounded down to the nearest ₹ 1,000.

Investor Withdrawals and Pre-closure

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

Pre-closure: Our Company, in consultation with the Lead Managers reserves the right to close the Tranche II Issue at any time prior to the Tranche II Issue Closing Date, subject to receipt of minimum subscription which is 75% of the Base Issue, i.e. ₹ 750 million before the Tranche II Issue Closing Date. Our Company shall allot NCDs with respect to the Applications received at the time of such pre-closure in accordance with the Basis of Allotment as described hereinabove and subject to applicable statutory and/or regulatory requirements.

Further, the Tranche II Issue will also be withdrawn by our Company in the event that the aggregate Applications received for the NCDs is lesser than the minimum subscription which is 75% of the Base Issue, i.e. ₹ 750 million before the Tranche II Issue Closing Date.

In the event of such early closure of the Tranche II 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 II Issue Closing Date of the Tranche II Issue, as applicable, through advertisement(s) in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the Tranche II Issue have been given.

ISSUANCE OF ALLOTMENT ADVICE

Our Company shall ensure dispatch/and/or mail the Allotment Advice within 6 (six) Working Days of the Tranche II Issue Closing Date to the Applicants. The Allotment Advice for successful Applicants will be mailed to their addresses as per the Demographic Details received from the Depositories. Instructions for credit of NCDs to the beneficiary account with Depository Participants shall be made within 6 (six) Working Days of the Tranche II Issue Closing Date.

Our Company shall use best efforts to ensure that all steps for completion of the necessary formalities for commencement of trading at the Stock Exchanges where the NCDs are proposed to be listed are taken within 6 (six) Working Days from the Tranche II Issue Closing Date.

Allotment Advices shall be issued, or Application Amount shall be unblocked within 15 (fifteen) days from the Tranche II Issue Closing Date or such lesser time as may be specified by SEBI or else the Application Amount shall be unblocked in the ASBA Accounts of the Applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.

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

Revision of Applications

As per the notice No: 20120831-22 dated August 31, 2012 issued by the BSE, cancellation of one or more orders within an Application is permitted during the Tranche II 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 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 II Issue Period, as allowed/permitted by the Stock Exchange(s), by submitting a written request to the Designated Intermediaries/the Designated branch of 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 Exchanges, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Tranche II Issue Closing Date. However, in order that the data so captured is accurate, the Designated Intermediaries and/or the Designated Branches of the SCSBs will be given up to one Working Day after the Tranche II Issue Closing Date to modify/ verify certain selected fields uploaded in the online system during the Tranche II 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, the NCDs issued by us can be held in a dematerialized form.

In this context:

- (i) Tripartite Agreements dated December 8, 2010 and August 25, 2006, between us, the Registrar and CDSL and NSDL, respectively have been executed, for offering depository option to the Applicants.
- (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) Secured NCDs Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.
- (v) Non-transferable Allotment Advice will be directly sent to the Applicant by the Registrar to this Issue.
- (vi) It may be noted that Secured NCDs in electronic form can be traded only on the Stock Exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges has connectivity with NSDL and CDSL.
- (vii) Interest or other benefits with respect to the Secured NCDs held in dematerialized form would be paid to those Secured 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 Secured NCDs for which the beneficial owner is not identified by the Depository as on the Record Date/ book closure date, we would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and conveyed to us, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
- (viii) The trading of the Secured NCDs on the floor of the Stock Exchanges shall be in dematerialized form only.

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

PLEASE NOTE THAT TRADING OF SECURED NCDs ON THE FLOOR OF THE STOCK EXCHANGES SHALL BE IN DEMATERIALIZED FORM ONLY IN MULTIPLE OF ONE SECURED NCD.

Allottees will have the option to re-materialize the Secured NCDs Allotted under the Tranche II 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 II Issue (except the Applications made through the Trading Members of the Stock Exchanges) should be addressed to the Registrar to the Issue with a copy to the relevant SCSB, 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 Designated Intermediaries, or Designated Branch, as the case may be, where the Application was submitted and, 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 the Lead Managers, our Compliance Officer and Company Secretary or the Registrar to the Issue in case of any pre-Tranche II Issue or post-Tranche II Issue related problems such as non-receipt of Allotment Advice 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 Exchanges.

Interest in case of Delay

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

Undertaking by the Issuer

Statement by the Board:

- (a) All monies received pursuant to the Tranche II Issue of Secured NCDs to public shall be transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013.
- (b) Details of all monies utilised out of Tranche II 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 Secured 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) We shall utilize the Tranche II Issue proceeds only upon allotment of the Secured NCDs, execution of the Debenture Trust Deed as stated in this Tranche II Prospectus and on receipt of the minimum subscription of 75% of the Base Issue and receipt of listing and trading approval from the Stock Exchanges.
- (f) The Tranche II 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.
- (g) The allotment letter shall be issued, or Application Amount shall be unblocked within 15 days from the closure of the Tranche II Issue 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 15% per annum for the delayed period;

Other Undertakings by our Company

Our Company undertakes that:

- (a) Complaints received in respect of the Tranche II Issue will be attended to by our Company expeditiously and satisfactorily;
- (b) Necessary cooperation to the relevant credit rating agency(ies) will be extended in providing true and adequate information until the obligations in respect of the Secured NCDs are outstanding;
- (c) Our Company will take necessary steps for the purpose of getting the Secured NCDs listed within the specified time, i.e., within 6 Working Days of the Tranche II Issue Closing Date;
- (d) Funds required for dispatch of Allotment Advice will be made available by our Company to the Registrar to the Issue;
- (e) Our Company will forward details of utilisation of the proceeds of the Tranche II Issue, duly certified by the Statutory Auditor, to the Debenture Trustee;
- (f) Our Company will provide a compliance certificate to the Debenture Trustee on an annual basis in respect of compliance with the terms and conditions of the Tranche II Issue as contained in this Tranche II Prospectus.

Our Company will disclose the complete name and address of the Debenture Trustee in its annual report

Utilisation of Application Amounts

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

Impersonation

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

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*

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

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

Listing

The NCDs proposed to be offered in pursuance of the Shelf Prospectus and this Tranche II Prospectus will be listed on the BSE. We have received the in-principle approval dated February 05, 2019 from the BSE. The application for listing of the NCDs will be made to the Stock Exchange at an appropriate stage.

If permissions to deal in and for an official quotation of our NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Tranche II Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 6 (six) Working Days from the date of Allotment.

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

Guarantee/Letter of Comfort

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

SECTION V: LEGAL AND OTHER INFORMATION

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Tranche II Issue

At the meeting of the Board of Directors of our Company, held on May 16, 2018, the Directors approved the issuance to the public of Secured NCDs and unsecured redeemable non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 60,000 million.

The present Issue through the Shelf Prospectus of Secured NCDs is for an amount upto ₹ 40,000 million (“**Shelf Limit**”), hereinafter called the “Issue” was approved by NCD Committee meeting dated January 09, 2019.

The present Tranche II Issue through this Tranche II Prospectus of Secured NCDs for an amount up to ₹ 1,000 million, with an option to retain oversubscription up to an amount of ₹ 9,000 million, aggregating up to ₹ 10,000 million, was approved by the NCD Committee at its meeting dated May 03, 2019.

Further, the present borrowing is within the borrowing limits under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders’ vide their resolution dated September 25, 2014.

Prohibition by SEBI

Our Company, persons in control of our Company and/or our Promoters and/or our Directors 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.

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 AND A. K. CAPITAL SERVICES LIMITED, HAVE CERTIFIED THAT DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED TRANCHE II ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUE IS PRIMARILY RESPONSIBLE FOR CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, EDELWEISS FINANCIAL SERVICES LIMITED AND A. K. CAPITAL SERVICES LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED MAY 03, 2019 WHICH READS AS FOLLOWS:

“We confirm that neither the issuer nor its promoters or directors have been prohibited from accessing the capital market under any order or direction passed by the Board. We also confirm that none of the intermediaries named in the offer document have been debarred from functioning by any regulatory authority.

We confirm that all the material disclosures in respect of the issuer have been made in the offer document and certify that any material development in the issue or relating to the issue up to the commencement of listing and trading of the NCDs offered through this issue shall be informed through public notices / advertisements in all those newspapers in which pre-issue advertisement and advertisement for opening or closure of the issue will be given.

We confirm that the offer document contains all disclosures as specified in the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended.

We also confirm that all relevant provisions of the Companies Act, 2013 (to the extent notified as on the date of the Shelf Prospectus), Securities Contracts, (Regulation) Act, 1956, Securities and Exchange Board of India Act, 1992 and the Rules, Regulations, Guidelines, Circulars issued thereunder are complied with.

Disclaimer Clause of the BSE

BSE Limited ("the Exchange") has given, vide its letter dated February 05, 2019, 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 promoters, 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 any reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the RBI

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED DECEMBER 12, 2008 ISSUED BY THE RESERVE BANK OF INDIA UNDER SECTION 45 IA OF THE RESERVE BANK OF INDIA ACT, 1934. HOWEVER, THE RBI DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINIONS EXPRESSED BY THE COMPANY AND FOR REPAYMENT OF DEPOSITS/ DISCHARGE OF LIABILITY BY THE COMPANY.

Listing

Application will be made to the BSE simultaneously with the filing of the Shelf Prospectus and the Tranche II Prospectus for permission to deal in and for official quotation in NCDs. If permission to deal in and for an official quotation of our NCDs is not granted by the BSE, our Company will forthwith repay, without interest, all monies received from the applications in pursuance of this Tranche II Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the stock exchange mentioned above are taken within 6 Working Days from the date of closure of the Tranche II Issue.

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

Track record of past public issues handled by the Lead Managers

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

Name of lead manager	Website
A. K. Capital Services Limited	www.akgroup.co.in
Edelweiss Financial Services Limited	www.edelweissfin.com

Consents

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Lead Managers, (e) the Registrar to the Issue, (f) Legal Advisor to the Issue, (g) Credit Rating Agencies, (h) the Debenture Trustee, (i) IMACS for the inclusion of the industry report; (j) Statutory Auditor; (k) lenders of the Company; (l) Lead Brokers; and (m) Banker to the Issue, to act in their respective capacities, have been obtained and the same will be filed along with a copy of the Tranche II Prospectus with the ROC, stock exchange and SEBI.

The consent of the Statutory Auditors of our Company, namely Varma & Varma, Chartered Accountants for (a) inclusion of their names as the Statutory Auditors, (b) examination reports on Reformatted Financial Statements in the form and context in which they appear in this Tranche II Prospectus, (c) the statement of tax benefits available to the debenture holders in the form and context in which they appear in this Tranche II Prospectus; (d) report on limited review of unaudited standalone financials for the quarter and nine months ended December 31, 2018; (e) report on limited review of unaudited standalone financials for the quarter and six months ended September 30, 2018; and (f) report on limited review of unaudited standalone financials for the quarter and three months ended June 30, 2018 have been obtained and has not withdrawn such consent and the same will be filed along with a copy of the Tranche II Prospectus with the ROC, stock exchange and SEBI.

Expert Opinion

Except the: (i) examination reports on Reformatted Financial Statements in the form and context in which they appear in this Tranche II Prospectus, report on limited review of the unaudited financial statements for the quarter and nine months ended December 31, 2018, quarter and six months ended September 30, 2018 and quarter and three months ended June 30, 2018 and Statement of Tax Benefits issued by Varma & Varma, Chartered Accountants dated January 03, 2019; and (ii) IMAcs Industry Report-Gold Loan Market in India 2018 and IMAcs Industry Report-Gold Loan Market in India 2017, the Company has not obtained any expert opinions.

Common form of Transfer

All trading / transfers of NCDs will only be in demat form and as per the provisions of the Companies Act, 2013 applicable as on the date of this Tranche II Prospectus and all applicable laws shall be duly complied with in respect of all transfer of debentures and registration thereof.

Minimum Subscription

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue, i.e. ₹ 750 million. If our Company does not receive the minimum subscription of 75% of the Base Issue, i.e. ₹ 750 million within the prescribed timelines under Companies Act and any rules thereto, the entire subscription amount shall be refunded to the Applicants within the timelines prescribed under Applicable Law. 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.

Filing of the Draft Shelf Prospectus

A copy of the Draft Shelf Prospectus has been filed with the Designated Stock Exchange in terms of Regulation 7 of the SEBI Debt Regulation for dissemination on their website and the SEBI.

Filing of the Shelf Prospectus and Tranche II Prospectus with the RoC

A copy of the Shelf Prospectus dated February 05, 2019 has been filed with the Registrar of Companies in accordance with Section 26 and Section 31 of the Companies Act, 2013. A copy of this Tranche II Prospectus will be filed with the Registrar of Companies in accordance with Section 26 and Section 31 of the Companies Act, 2013

Debenture Redemption Reserve

Section 71 of the Companies Act, 2013, read with Rule 18 made under Chapter IV of the Companies Act, 2013, requires that any company that intends to issue debentures must create a DRR for the purpose of redemption of debentures, in accordance with the following conditions: (a) the DRR shall be created out of the profits of the company available for payment of dividend, (b) the DRR shall be equivalent to at least 25% of the value of the outstanding debentures raised through the public issue in accordance with the SEBI Debt Regulations in case of NBFCs registered with the RBI. Accordingly, our Company is required to create a DRR of 25% of the value of the outstanding NCDs issued through the Tranche II 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. Every company required to create or maintain DRR shall before the 30th day of April of each year, deposit or invest, as the case may be, 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, following any one or more of the 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 amount deposited or invested, as the case may be, shall not be utilised for any purpose other than for the repayment of debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the 31st day of March of that year. This may have a bearing on the timely redemption of the NCDs by our Company.

Issue Related Expenses

The expenses for the Tranche II Issue include, inter alia, lead management fees and selling commission to the lead managers, lead-brokers, fees payable to debenture trustees, underwriters, the Registrar to the Issue, SCSBs' commission/ fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The Tranche II Issue expenses and listing fees will be paid by our Company.

The estimated breakdown of the total expenses for the Tranche II Issue is as follows:

		(₹ in million)
Activity	Expenses	
Fees to intermediaries (Lead Management Fee, brokerage, rating agency, registrar, legal advisors, Debenture Trustees etc.)	75.00	
Advertising and Marketing Expenses	15.00	
Printing and Stationery	10.00	
Total	100.00	

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

Underwriting

This Tranche II Issue has not been underwritten.

Identification as wilful defaulter

Neither our Company nor any Promoter or Director is a wilful defaulter identified by the RBI or any other governmental authority nor in default of payment of interest or repayment of principal amount in respect of debt securities issued by it to the public, if any, for a period of more than six months.

Reservation

No portion of this Tranche II Issue has been reserved.

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

On May 03, 2011, our Company issued and allotted 51,500,000 equity shares at a price of ₹ 175 per such Equity Share, amounting to an aggregate of ₹ 9,012,500,000 pursuant to an initial public offer under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations**”) which opened on April 18, 2011 and closed on April 21, 2011. The electronic credit of the equity shares to investors pursuant to the initial public offer was completed on May 04, 2011.

On April 29, 2014, our Company issued and allotted 25,351,062 Equity Shares at a price of ₹ 165 per Equity Share, amounting to an aggregate of ₹ 4,182.93 million pursuant to an institutional placement programme under Chapter VIII – A of the SEBI ICDR Regulations which opened and closed on April 25, 2014. The electronic credit of the Equity Shares to investors pursuant to the institutional placement programme was completed on April 29, 2014. There are no listed companies under the same management within the meaning of Section 370(1) (B) of the Companies Act, 1956.

On January 06, 2015, ESOP Committee of Board of Directors of our company has allotted 6,48,581 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 4,85,181 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 163,400 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On March 06, 2015, ESOP Committee of Board of Directors of our company has allotted 2,54,008 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 1,68,960 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 85,048 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On June 4, 2015, ESOP Committee of Board of Directors of our company has allotted 33,541 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 21,641 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 11,900 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On September 15, 2015, the ESOP Committee of Board of Directors of the Company has allotted 44,036 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 9,394 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 34,642 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On March 16, 2016, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 9,58,336 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 6,02,106 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 3,56,230 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On June 27, 2016, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 48,602 equity shares of face value of ₹ 10 each under Muthoot ESOP 2013 pursuant to exercise of 23,782 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 24,820 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On December 21, 2016, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 404,805 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise of 12,525 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 392,280 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On March 23, 2017, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 19,810 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 19,810 options of ₹ 50 each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On May 09, 2017, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 60,747 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 3,512 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 57,235 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On August 07, 2017, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 30,393 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 4,113 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 26,280 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On December 11, 2017, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 347,225 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 2,575 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 344,650 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On March 29, 2018, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 127,325 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 3,225 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 124,100 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On May 15, 2018, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 50,205 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 1,925 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 48,280 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On September 19, 2018, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 120,327 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 3,237 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 117,090 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On December 18, 2018, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 371,510 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 2,125 options of ₹ 10 each for Loyalty Options (face value ₹ 10 each) and 369,385 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by Employees of the Company.

On February 20, 2019, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 45,080 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 45,080 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by the employees of the Company.

On March 23, 2019, Nomination and Remuneration Committee of Board of Directors of the Company has allotted 32,955 equity shares of face value of ₹ 10 each under the Muthoot ESOP 2013 pursuant to exercise 32,955 options of ₹ 50/- each for Growth Options (face value ₹ 10 each) by the employees of the Company.

Public/ Rights Issues

On May 03, 2011, our Company issued and allotted 51,500,000 Equity Shares at a price of ₹ 175 per Equity Share, amounting to an aggregate of ₹ 9,012,500,000 pursuant to an initial public offer under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations**”) which opened on April 18, 2011 and closed on April 21, 2011. The electronic credit of the Equity Shares to investors pursuant to the initial public offer was completed on May 04, 2011.

On September 14, 2011, our Company issued and allotted 6.93 million secured, redeemable non-convertible debentures (“**PL- I NCDs**”) at a price of ₹ 1,000 per PL- I NCD, amounting to an aggregate of ₹ 6,932.81 million pursuant to a public offer under the SEBI Debt Regulations which opened on August 23, 2011 and closed on September 05, 2011. The electronic credit of the PL-I NCDs to investors pursuant to this public offer was completed on September 16, 2011.

On January 18, 2012, our Company issued and allotted 4.59 million secured, redeemable non-convertible debentures (“**PL- II NCDs**”) at a price of ₹ 1,000.00 per PL- II NCD, amounting to an aggregate of ₹ 4,593.20 million pursuant to a public offer under the SEBI Debt Regulations which opened on December 22, 2011 and closed on January 07, 2012. The electronic credit of the PL-II NCDs to investors pursuant to this public offer was completed on January 19, 2012.

On April 18, 2012, our Company issued and allotted 2.60 million secured, redeemable non-convertible debentures (“**PL- III NCDs**”) at a price of ₹ 1,000.00 per PL- III NCD, amounting to an aggregate of ₹ 2,597.52 million pursuant to a public offer under the SEBI Debt Regulations which opened on March 02, 2012 and closed on April 09, 2012. The electronic credit of the PL-III NCDs to investors pursuant to this public offer was completed on April 19, 2012.

On November 01, 2012, our Company issued and allotted 2.75 million secured, redeemable non-convertible debentures (“**PL- IV NCDs**”) at a price of ₹ 1,000.00 per PL- IV NCD, amounting to an aggregate of ₹ 2,749.40 million pursuant to a public offer under the SEBI Debt Regulations which opened on September 17, 2012 and closed on October 22, 2012. The electronic credit of the PL-IV NCDs to investors pursuant to this public offer was completed on November 02, 2012.

On September 25, 2013, our Company issued and allotted 2.79 million secured, redeemable non-convertible debentures and 0.21 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL- V NCDs**”) at a price of ₹ 1,000.00 per PL- V NCD, amounting to an aggregate of ₹ 3,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on September 02, 2013 and closed on September 16, 2013. The electronic credit of the PL-V NCDs to investors pursuant to this public offer was completed on September 26, 2013.

On December 04, 2013, our Company issued and allotted 2.77 million secured, redeemable non-convertible debentures and 0.23 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL- VI NCDs**”) at a price of ₹ 1,000.00 per PL- VI NCD, amounting to an aggregate of ₹ 3,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on November 18, 2013 and closed on November 25, 2013. The electronic credit of the PL-VI NCDs to investors pursuant to this public offer was completed on December 05, 2013.

On February 04, 2014, our Company issued and allotted 4.56 million secured, redeemable non-convertible debentures and 0.44 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL- VII NCDs**”) at a price of ₹ 1,000.00 per PL- VII NCD, amounting to an aggregate of ₹ 5,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on December 27, 2013 and closed on January 27, 2014. The electronic credit of the PL-VII NCDs to investors pursuant to this public offer was completed on February 05, 2014.

On April 02, 2014, our Company issued and allotted 1.79 million secured, redeemable non-convertible debentures and 0.19 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL- VIII NCDs**”) at a price of ₹ 1,000.00 per PL- VIII NCD, amounting to an aggregate of ₹ 1,979.28 million pursuant to a public offer under the SEBI Debt Regulations which opened on March 10, 2014 and closed on March 21 2014. The electronic credit of the PL-VIII NCDs to investors pursuant to this public offer was completed on April 03, 2014.

On April 29, 2014, our Company issued and allotted 25,351,062 Equity Shares at a price of ₹ 165 per Equity Share, amounting to an aggregate of ₹ 4,182.93 million pursuant to an institutional placement programme under Chapter VIII – A of the SEBI ICDR Regulations which opened and closed on April 25, 2014. The electronic credit of the Equity Shares to investors pursuant to the institutional placement programme was completed on April 29, 2014.

On July, 04, 2014, our Company issued and allotted 4.29 million secured, redeemable non-convertible debentures and 0.36 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-IX NCDs**”) at a price of ₹ 1,000.00 per PL-IX NCD, amounting to an aggregate of ₹ 4,661.94 million pursuant to a public offer under the SEBI Debt Regulations which opened on May 26, 2014 and closed on June 26 2014. The electronic credit of the PL-IX NCDs to investors pursuant to this public offer was completed on July 07, 2014.

On September, 26, 2014, our Company issued and allotted 3.67 million secured, redeemable non-convertible debentures and 0.30 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-X NCDs**”) at a price of ₹ 1,000.00 per PL-X NCD, amounting to an aggregate of ₹ 3,977.82 million pursuant to a public offer under the SEBI Debt Regulations which opened on August 18, 2014 and closed on September 18 2014. The electronic credit of the PL-X NCDs to investors pursuant to this public offer was completed on September 30 2014.

On December 29, 2014, our Company issued and allotted 3.61 million secured, redeemable non-convertible debentures and 0.39 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XI NCDs**”) at a price of ₹ 1,000.00 per PL-XI NCD, amounting to an aggregate of ₹ 4,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on November 19, 2014 and closed on December 18, 2014. The electronic credit of the PL-XI NCDs to investors pursuant to this public offer was completed on December 31, 2014.

On April 23, 2015, our Company issued and allotted 2.71 million secured, redeemable non-convertible debentures and 0.29 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XII NCDs**”) at a price of ₹ 1,000.00 per PL-XII NCD, amounting to an aggregate of ₹ 3,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on March 25, 2015 and closed on April 15, 2015. The electronic credit of the PL-XII NCDs to investors pursuant to this public offer was completed on April 27, 2015.

On October 14, 2015, our Company issued and allotted 4.64 million secured, redeemable non-convertible debentures and 0.36 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XIII NCDs**”) at a price of ₹ 1,000.00 per PL-XIII NCD, amounting to an aggregate of ₹ 5,000 million pursuant to a public offer under the SEBI Debt Regulations which opened on September 07, 2015 and closed on October 05, 2015. The electronic credit of the PL-XIII NCDs to investors pursuant to this public offer was completed on October 15, 2015.

On January 20, 2016, our Company issued and allotted 4.15 million secured, redeemable non-convertible debentures and 0.23 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XIV NCDs**”) at a price of ₹ 1,000.00 per PL-XIV NCD, amounting to an aggregate of ₹ 4385.24 million pursuant to a public offer under the SEBI Debt Regulations which opened on December 07, 2015 and closed on January 11, 2016. The electronic credit of the PL-XIV NCDs to investors pursuant to this public offer was completed on January 22, 2016.

On May 12, 2016, our Company issued and allotted 4.76 million secured, redeemable non-convertible debentures and 0.24 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XV NCDs**”) at a price of ₹ 1,000.00 per PL-XV NCD, amounting to an aggregate of ₹ 5000.00 million pursuant to a public offer under the SEBI Debt Regulations which opened on April 04, 2016 and closed on May 03, 2016. The electronic credit of the PL-XV NCDs to investors pursuant to this public offer was completed on May 13, 2016.

On January 30, 2017, our Company issued and allotted 13.00 million secured, redeemable non-convertible debentures and 0.31 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XVI NCDs**”) at a price of ₹ 1,000.00 per PL-XVI NCD, amounting to an aggregate

of ₹ 13317.76 million pursuant to a public offer under the SEBI Debt Regulations which opened on January 17, 2017 and closed on January 18, 2017. The electronic credit of the PL-XVI NCDs to investors pursuant to this public offer was completed on January 31, 2017.

On April 24, 2017, our Company issued and allotted 19.50 million secured, redeemable non-convertible debentures and 0.19 million unsecured, redeemable non-convertible debentures in the nature of subordinated debt (“**PL-XVII NCDs**”) at a price of ₹ 1,000.00 per PL-XVII NCD, amounting to an aggregate of ₹ 19687.17 million pursuant to a public offer under the SEBI Debt Regulations which opened on April 11, 2017 and closed on April 12, 2017. The electronic credit of the PL-XVII NCDs to investors pursuant to this public offer was completed on April 25, 2017.

On April 19, 2018, our Company issued and allotted 30.00 million secured, redeemable non-convertible debentures (“**PL-XVIII NCDs**”) at a price of ₹ 1,000.00 per PL-XVIII NCD, amounting to an aggregate of ₹ 30,000.00 million pursuant to a public offer under the SEBI Debt Regulations which opened on April 09, 2018 and closed on April 10, 2018. The electronic credit of the PL-XVIII NCDs to investors pursuant to this public offer was completed on April 20, 2018.

On March 20, 2019, our Company issued and allotted 7.09 million secured, redeemable non-convertible debentures (“**PL-XIX NCDs**”) at a price of ₹ 1,000.00 per PL-XIX NCD, amounting to an aggregate of ₹ 7,094.57 million pursuant to a public offer under the SEBI Debt Regulations which opened on February 14, 2019 and closed on March 14, 2019. The electronic credit of the PL-XIX NCDs to investors pursuant to this public offer was completed on March 20, 2019.

NCD Public Issue by Muthoot Homefin (India) Limited

On March 26, 2019, Muthoot Homefin (India) Limited has filed a prospectus with the RoC for issue of 3,000,000 secured, redeemable non-convertible debentures at a price of ₹ 1,000.00 per non-convertible debenture, amounting to an aggregate of ₹ 3,000 million pursuant to a public offer under the SEBI Debt Regulations, which opened on April 08, 2019 and is scheduled to close on May 07, 2019.

Previous Issue

Except as stated in the sections titled “*Capital Structure*” and “*Disclosures on existing financial indebtedness*” on pages 47 and 138 of the Shelf Prospectus respectively, our Company has not made any other issue of non convertible debentures.

Other than as specifically disclosed in the Shelf Prospectus, our Company has not issued any securities for consideration other than cash.

Utilisation details of Previous Issues

S.No.	Instrument	Issue Date	Open date	Allotment date	Gross proceeds raised through the Issue (Rs.in Million)	Issue Related Expenses (Rs. In Million)	Net proceeds of the issue after deducting the issue related expenses (Rs.in Million)	Objects of the Issue as per Prospectus	Net Utilisation of Proceeds
1.	Equity Shares	18/04/2011		03/05/2011	9012.50	151.30	8861.20	The Proceeds raised through the issue after meeting issue related expenses will be utilised to augment our capital base to meet future capital requirements to provide for	Fully utilised according to the objects of the issue

							funding of loans to our customers and general corporate purposes	
2.	Secured, redeemable non-convertible debentures	23/08/2011	14/09/2011	6932.81	127.70	6805.11	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
3.	Secured, redeemable non-convertible debentures	22/12/2011	18/01/2012	4593.20	75.10	4518.10	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
4.	Secured, redeemable non-convertible debentures	02/03/2012	18/04/2012	2597.52	36.30	2561.22	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations	Fully utilised according to the objects of the issue

							including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	
5.	Secured, redeemable non-convertible debentures	17/09/2012	01/11/2012	2749.40	36.45	2712.95	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
6.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	02/09/2013	25/09/2013	3000.00	25.25	2974.75	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
7.	Secured, redeemable non-convertible debentures	18/11/2013	04/12/2013	3000.00	24.60	2975.40	The funds raised through this Issue will be utilised for our various financing	Fully utilised according to the objects of

	& Unsecured, redeemable non- convertible debentures						activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	the issue
8.	Secured, redeemable non- convertible debentures & Unsecured, redeemable non- convertible debentures	27/12/2013	04/02/2014	5000.00	35.78	4964.22	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
9.	Secured, redeemable non- convertible debentures & Unsecured, redeemable non- convertible debentures	10/03/2014	02/04/2014	1979.28	14.76	1964.52	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the	Fully utilised according to the objects of the issue

							Issue and subject to applicable statutory/regulatory requirements.	
10.	Equity Shares	25/04/2014	29/04/2014	4182.93	45.76	4137.17	The Proceeds raised through the issue after meeting issue related expenses will be utilised to augment the long term resources by way of enhancing the capital base to meet future capital requirements and provide funding for loans to the customers of our Company and for general corporate purposes.	Fully utilised according to the objects of the issue
11.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	26/05/2014	04/07/2014	4661.94	13.61	4648.33	The funds raised through this Issue will be utilised for our various financing activities including lending and investments, to repay our existing liabilities or loans and towards our business operations including for our capital expenditure and working capital requirements and general corporate purposes, after meeting the expenditures of and related to the Issue and subject to applicable statutory/regulatory requirements.	Fully utilised according to the objects of the issue
12.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	18/08/2014	26/09/2014	3977.82	10.39	3967.43	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
13.	Secured, redeemable non-convertible debentures & Unsecured,	19/11/2014	29/12/2014	4000.00	9.46	3990.54	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the	Fully utilised according to the objects of the issue

	redeemable non-convertible debentures						purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	
14.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	25/03/2015	23/04/2015	3000.00	7.02	2992.98	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
15.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	07/09/2015	14/10/2015	5000.00	11.98	4988.02	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
16.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	11/12/2015	20/01/2016	4385.24	11.43	4373.81	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
17.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	04/04/2016	12/05/2016	5000.00	12.71	4987.29	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate	Fully utilised according to the objects of the issue

							Purposes- 25% of the amount raised and allotted in the Issue	
18.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	17/01/2017	30/01/2017	13317.76	184.05	13133.71	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
19.	Secured, redeemable non-convertible debentures & Unsecured, redeemable non-convertible debentures	11/04/2017	23/04/2017	19687.17	246.94	19440.23	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
20.	Secured, redeemable non-convertible debentures	09/04/2018	19/04/2018	30000.00	441.08	29558.92	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount raised and allotted in the Issue	Fully utilised according to the objects of the issue
21.	Secured, redeemable non-convertible debentures	14/02/2019	20/03/2019	7094.57	39.99	7054.58	The proceeds raised through the issue after meeting issue related expenses will be utilised as below. a) For the purpose of lending- 75% of the amount raised and allotted in the Issue, b) For General Corporate Purposes- 25% of the amount	Fully utilised according to the objects of the issue

	raised	and
	allotted	in the
	Issue	

Details regarding lending out of issue proceeds of Previous Issues

A. *Lending Policy*

Please refer to the paragraph titled ‘Gold Loan Business’ under Chapter ‘Our Business’ at page 85 of the Shelf Prospectus.

B. *Loans given by the Company*

Company has not provided any loans/advances to associates, entities/persons relating to Board, senior management or Promoters out of the proceeds of Previous Issues. The Company has not provided any loans/advances to “Group” entities out of the proceeds of Previous Issue.

C. *Types of loans*

The loans given by the Company out of the proceeds of Previous Issues are loans against security of gold jewelry which are given primarily to individuals.

Types of loan given by the Company as on March 31, 2018 are as follows:

S. No	Type of loans	Amount (Rs in millions)
1	Secured	288,580.55
2	Unsecured	2,803.59
Total assets under management (AUM)		291,384.14

Note: The loans given by the Company out of the proceeds of Previous Issues are loans against security of gold jewelry which are given primarily to individuals.

Denomination of loans outstanding by ticket size as on March 31, 2018:

S. No	Ticket size	Percentage of AUM
1	Upto Rs. 2 lakh	85.91%
2	Rs. 2-5 lakh	7.77%
3	Rs. 5-10 lakh	4.26%
4	Rs. 10-25 lakh	1.85%
5	Rs. 25-50 lakh	0.17%
6	Rs. 50 lakh-1 crore	0.04%
7	Rs. 1-5 crore	0.00%
8	Rs. 5-25 crore	0.00%
9	Rs. 25-100 crore	0.00%
10	>Rs. 100 crore	0.00%
		100.00%

Denomination of loans outstanding by LTV as on March 31, 2018

S. No	LTV	Percentage of AUM
1	Upto 40%	1.83%
2	40-50%	3.68%
3	50-60%	7.13%
4	60-70%	30.00%
5	70-80%	57.31%
6	80-90%	0.01%
7	>90%	0.03%
Total		100.00%

Geographical classification of borrowers as on March 31, 2018

S. No.	Top 5 states	Percentage of AUM
1	TAMIL NADU	16.87%
2	KARNATAKA	11.63%
3	ANDHRA PRADESH	8.28%

4	DELHI	7.98%
5	TELANGANA	7.03%
	Total	51.80%

Types of loans according to sectorial exposure as on March 31, 2018 is as follows:

S. No	Segment- wise breakup of AUM	Percentage of AUM
1	Retail	
a	Mortgages (home loans and loans against property)	
b	Gold Loans	99.00%
c	Vehicle Finance	
d	MFI	
e	M &SME	
f	Capital market funding (loans against shares, margin funding)	
g	Others	0.95%
2	Wholesale	
a	Infrastructure	
b	Real estate (including builder loans)	0.05%
c	Promoter funding	
d	Any other sector (as applicable)	
e	Others	
	Total	100.00%

Maturity profile of total loan portfolio of the Company as on March 31, 2018 is as follows:

Period	Amount (Rs in millions)
Less than 1 month	55,053.03
1-2 month	42,228.67
2-3 month	34,867.54
3-6 month	71,019.16
6 month -1 year	78,558.68
Above 1 year	9,657.07
Total	291,384.14

Note: Contracted tenor of gold loan is maximum of 12 month. However, on account of high incidence of prepayment before contracted maturity, the above maturity profile has been drawn up on the basis of historical pattern of repayments. In case of loans other than gold loan, the maturity profile is based on contracted maturity.

D. Aggregated exposure to top 20 borrowers with respect to concentration of advances as on March 31, 2018

	Amount (Rs in Million)
Total Advances to twenty largest borrowers	2,724.72
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	0.94%

E. Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2018

	Amount (Rs in Million)
Total Exposures to twenty largest borrowers/Customers	2,724.72
Percentage of Exposures to twenty largest borrowers/Customers to Total Advances of the NBFC on borrowers/Customers	0.94%

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

Movement of gross NPAs* (FY 2017-18)	Amount (Rs in Million)
(a) Opening balance	5,621.30
(b) Additions during the year	19,568.41
(c) Reductions during the year	4,860.65
(d) closing balance	20,329.06

*Please refer paragraph titled "Non Performing Assets (NPAs)" under chapter "Our Business" at page 85 of the Shelf Prospectus for details on Gross NPA recognition Policy.

Movement of provisions for NPAs (FY 2017-18)	Amount (Rs in Million)
(a) Opening balance	1,019.27
(b) Provisions made during the year	1,358.31
(c) Write-off / write -back of excess provisions	
(d) closing balance	2,377.58

G. Segment –wise gross NPA as on March 31, 2018

S. no	Segment- wise breakup of gross NPAs	Gross NPA (%)
1	Retail	
a	Mortgages (home loans and loans against property)	
b	Gold Loans	99.23%
c	Vehicle Finance	
d	MFI	
e	M &SME	
f	Capital market funding (loans against shares, margin funding)	
g	Others	0.77%
2	Wholesale	
a	Infrastructure	
b	Real estate (including builder loans)	
c	Promoter funding	
d	Any other sector (as applicable)	
e	Others	
	Total	100.00%

H. Classification of borrowings as on March 31, 2018

S. No	Type of Borrowings	Amount (Rs in Million)	Percentage
1	Secured	164,446.63	77.32%
2	Unsecured	48,233.12	22.68 %
	Total	212,679.76	100.00%

I. Promoter Shareholding

There is no change in promoter holdings in the Company beyond the threshold level stipulated at 26% during the last financial year.

J. Residual maturity profile of assets and liabilities as on March 31, 2018

Amount (Rs in Million)										
As at 31.03.2018	1 to 30/31 days (one month)	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 year	Over 3 year to 5 years	Over 5 years	Total	
Deposits	-	-	-	-	-	-	-	-	-	-
Advances	55,053.03	42,228.67	34,867.54	71,019.16	78,558.68	9,637.33	19.59	0.14	291,384.14	
Investments (Other than Investments in Foreign	-	-	-	10.38	-	300.00	31.05	3,104.08	3445.51	

Subsidiary)									
	3,479.19	17,197.1	14,585.3	5,629.61	126,672.5	34,525.8	9,604.1	986.00	212,679.7
Borrowings		6	1		5	1	5		6
Foreign Currency assets (Investmen ts in Foreign Subsidiary)	-	-	-	-	-	-	-	392.85	392.85
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

Material Contracts

Company has not entered into any material contracts other than in the ordinary course of business, in the last two years.

Legal Proceedings

Proceedings by Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last five years

Please refer to the section titled “*Pending Proceedings and Statutory Defaults*” on page 190 of the Shelf Prospectus and the section titled “*Material Developments*” on page 19 of this Tranche II Prospectus, for all legal proceedings by Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last five years.

Proceedings involving the Company, promoter, director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the position of the Company

We are involved in various legal proceedings including, among others, central excise duty and service tax cases and criminal proceedings. Except as described in the section titled “*Pending Proceedings and Statutory Defaults*” on page 190 of the Shelf Prospectus and the section titled “*Material Developments*” on page 19 of this Tranche II Prospectus, we believe that there are no legal proceedings involving the Company, promoter, director, subsidiaries, group companies or any other person, and in our opinion, no proceedings are threatened, which may have, or have had during the 12 months preceding the date of this Tranche II Prospectus, material adverse effect on our business, financial position, profitability or results of operations.

Proceedings initiated against the Company for economic offences

The Company has not received any notice from any statutory authority with regard to any economic offences.

Details of default and non-payment of statutory dues

Other than as disclosed in the section titled “*Pending Proceedings and Statutory Defaults*” on page 190 of the Shelf Prospectus and the section titled “*Material Developments*” on page 19 of this Tranche II Prospectus, the Company has not received any demand notice from any statutory agency for default and non-payment of statutory dues.

Investigations under company law

Other than as disclosed in the section titled “*Pending Proceedings and Statutory Defaults*” on page 190 of the Shelf Prospectus and the section titled “*Material Developments*” on page 19 of this Tranche II Prospectus, the Company and its Subsidiaries have not been investigated under any applicable company law in the last five years immediately preceding the year of issue of this Tranche II Prospectus.

Other than as disclosed in the section titled “*Pending Proceedings and Statutory Defaults*” on page 190 of the Shelf Prospectus and the section titled “*Material Developments*” on page 19 of this Tranche II Prospectus, no prosecutions have been filed (whether pending or not) or fines imposed or compounding of offences done in the last five years immediately preceding the year of the prospectus for the Company and all of its Subsidiaries.

Auditor Qualification

There have been no qualifications by the Statutory Auditors of the Company in the audited Financial Statements for the last five financial years immediately preceding the date of this Tranche II Prospectus.

Details of fraud committed against the Company

S.No.	Financial Year	Details of Fraud	Action taken by the Company
1.	2017-18	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs.35.06 million	These amounts have been recovered/written off/provided for
2.	2016-17	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs. 15.38 million	These amounts have been recovered/written off/provided for
3.	2015-16	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs. 16.48 million	These amounts have been recovered/written off/provided for
4.	2014-15	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs. 11.96 million	These amounts have been recovered/written off/provided for
5.	2013-14	No fraud of material nature was committed against the company other than frauds committed by customer/staff of the company cumulatively amounting to Rs. 19.70 million	These amounts have been recovered/written off/provided for

Dividend

Our Company has a dividend policy approved by the Board. The Board of Directors may declare one or more interim dividends any time during the financial year. The Board may recommend final dividend after approval of the audited financial statements by the Board and will be paid after approval of shareholders in the Annual General Meeting. The Board will consider financial and other parameters stated in the policy for declaring both interim dividend and also for recommending final dividend as stated in the policy.

The dividends paid by our company are as follows

Financial Year	Nature of Dividend	Dividend Per Equity Share of Rs.10 each (in Rs.)
2018-19	Interim	12.00
2017-18	Interim	10.00
2016-17	Interim	6.00
2015-16	Interim	2.00
	Interim	4.00
2014-15	Final	2.00
	Interim	4.00
	Final	1.00
2013-14	Interim	2.00
	Interim	3.00
2012-13	Final	4.50
2011-12	Final	4.00

Revaluation of assets

The Company has not revalued its assets in the last five years.

Mechanism for redressal of investor grievances

The MOU 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 3 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 Issue for redressal of their grievances.

All grievances relating to the Tranche II 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:

Registrar to the Issue

Link Intime India Private Limited

C 101, 247 Park , L B S Marg
Vikhroli West, Mumbai 400 083

Tel: (+91 22) 4918 6200

Fax: (+91 22) 4918 6195

Email: mfl.ncd2018@linkintime.co.in

Investor Grievance Email: mfl.ncd2018@linkintime.co.in

Website: www.linkintime.co.in

Contact Person: Sumeet Deshpande

SEBI Registration No.: INR000004058

CIN: U67190MH1999PTC118368

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

Maxin James has been appointed as the Compliance Officer of our Company for this Tranche II Issue.

The contact details of Compliance Officer of our Company are as follows:

Maxin James

Company Secretary

2nd Floor, Muthoot Chambers,

Opposite Saritha Theatre Complex

Banerji Road

Kochi - 682 018

Kerala, India

Tel: (+91 484) 6690 247

Fax: (+91 484) 2396506

Email: cs@muthootgroup.com

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer in case of any pre-issue or post-issue related issues such as non-receipt of intimation of allotment, demat credit of allotted NCDs or refunds, as the case may be.

Change in Auditors of our Company during the last three years

Rangamani & Co. has been the statutory auditor of the Company since September 11, 2002 and continued as the Statutory Auditor of the Company till September 20, 2017. Members of the Company in their Annual General meeting dated September 20, 2017 appointed Varma & Varma, Chartered Accountants, FRN 004532S in place

of retiring Auditors Rangamani & Co. Details of changes in the statutory auditors of the Company in the last 3 years have been summarised below:

Name	Address	Date of Appointment / Resignation / Retirement	Auditor of the Company since (in case of resignation)	Remarks
Rangamani & Co.	M/s. Rangamani & Co, Chartered Accountants, FRN: 003050S, 17/598, 2nd Floor, Card Bank Building, West of YMCA, VCSB Road, Allepey - 688 011	September 20, 2017' (Retirement)	September 11, 2002	Retirement on account of expiry of the term of engagement.
Varma & Varma, Chartered Accountants	M/s. Varma & Varma, Chartered Accountants, FRN: 004532S, "Sreeraghavam", Kerala Varma Tower, Bldg No. 53/2600 B, C, D & E, Off Kunjanbava Road, Vyttila P.O., Kochi- 682019	September 20, 2017' (Appointment)	-	Appointment on account of expiry of the term of engagement of the previous statutory auditor, Rangamani & Co.

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts which are or may be deemed material have been entered or are to be entered into by the Company. These contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of the Company situated at Muthoot Chambers, 2nd Floor, Opposite Saritha Theatre Complex, Banerji Road, Ernakulam, Kerala 682 018 from 10.00 AM to 5.00 P.M during which the Tranche II Issue Period.

A. *Material Contracts*

1. Engagement Letters dated January 28, 2019 appointing Edelweiss Financial Services Limited and A. K. Capital Services Limited as the Lead Managers respectively.
2. Issue Agreement dated January 28, 2019 between the Company and Edelweiss Financial Services Limited and A.K. Capital Services Limited.
3. Memorandum of Understanding dated January 28, 2019 with the Registrar to the Issue.
4. Debenture Trustee Agreement dated January 28, 2019 executed between the Company and the Debenture Trustee.
5. Public Issue Account Agreement dated May 02, 2019 executed between the Company, the Lead Managers, the Banker to the Issue and the Registrar to the Issue.
6. Lead Brokers' MOU dated May 02, 2019 executed between the Company, the Lead Managers and the Lead Brokers.
7. Tripartite agreement between the Company, Registrar to the Issue and CDSL dated December 08, 2010 and letter of extension dated March 14, 2011.
8. Tripartite agreement between the Company, Registrar to the issue and NSDL dated August 25, 2006.
9. The agreed form of the Debenture Trust Deed to be executed between the Company and the Debenture Trustee.

B. *Material Documents*

1. Certificate of Incorporation of the Company dated March 14, 1997, issued by Registrar of Companies, Kerala and Lakshadweep.
2. Memorandum and Articles of Association of the Company.
3. The certificate of registration No. N.16.00167 dated December 12, 2008 issued by Reserve Bank of India u/s 45 IA of the Reserve Bank of India, 1934.
4. Credit rating letter dated January 18, 2019 and further revalidated by letter dated April 22, 2019 received from CRISIL granting credit ratings to the Secured NCDs.
5. Credit rating letter dated December 31, 2018 and further revalidated by letter dated April 24, 2019 received from ICRA granting credit ratings to the Secured NCDs.
6. Copy of the NCD Committee Resolution dated January 09, 2019 approving the Issue.
7. Copy of the NCD Committee resolution dated January 28, 2019 approving the Draft Shelf Prospectus.
8. Copy of the NCD Committee Resolution dated February 05, 2019 approving the Shelf Prospectus.

9. Copy of the NCD Committee Resolution dated May 03, 2019 approving the Tranche II Prospectus.
10. Copy of the resolution passed by the Board of Directors dated May 16, 2018 approving the issuance to the public of Secured NCDs and unsecured redeemable non-convertible debentures of face value of ₹ 1,000 each, aggregating up to ₹ 60,000 million.
11. Resolution passed by the shareholders of the Company at the Annual General Meeting held on September 25, 2014, approving the overall borrowing limit of Company.
12. Consents of the Directors, Lead Managers to the Issue, Chief Financial Officer, Company Secretary and Compliance Officer of our Company, Debenture Trustee, Statutory Auditor, Credit Rating Agencies for the Issue, IMACS for the inclusion of the industry report, Legal Advisor to the Issue, the Registrar to the Issue, the Lead Brokers and the Banker to the Issue to include their names in this Tranche II Prospectus.
13. The consent of the Statutory Auditors of our Company, namely Varma & Varma for inclusion of: (a) their names as the Statutory Auditors, (b) examination reports on Reformatted Financial Statements in the form and context in which they appear in this Tranche II Prospectus; (c) the statement of tax benefits available to the debenture holders in the form and context in which they appear in this Tranche II Prospectus; (d) report on limited review of unaudited standalone financial statement for the quarter and nine months ended December 31, 2018; (e) report on limited review of unaudited standalone financials for the quarter and six months ended September 30, 2018; and (f) report on limited review of unaudited standalone financial statement for the quarter ended June 30.
14. The examination report of the Statutory Auditors dated November 10, 2018 and the Reformatted Financial Statements.
15. Limited review report dated February 06, 2019 and the unaudited standalone financial results for the quarter ended December 31, 2018 of our Company, limited review report dated December 06, 2018 and the unaudited standalone financial results for the quarter and six months period ended September 30, 2018 of our Company and the limited review report dated September 04, 2018 and the unaudited standalone financial results for the quarter ended June 30, 2018.
16. In-principle approval, dated February 05, 2019 for the Issue issued by the BSE.
17. Statement of tax benefits dated April 25, 2019 issued by our Statutory Auditors.
18. Annual Reports of the Company for the last five Financial Years 2013-14 to 2017-18.
19. Due Diligence certificate dated May 03, 2019 filed by the Lead Managers with SEBI.

DECLARATION

We, the Directors of the Company, certify that all the relevant provisions of the Companies Act, 2013, as applicable on the date of this Tranche II Prospectus and the guidelines issued by the Government of India or the guidelines issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with. We further certify that the disclosures made in this Tranche II Prospectus are true and correct and in conformity with the Companies Act, 2013, Schedule I of SEBI (Issue and Listing of Debt Securities) Regulations, 2008, the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and no statement made in this Tranche II Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956 or the Securities and Exchange Board of India Act, 1992 or rules, guidelines and circulars issued thereunder.

SIGNED BY ALL DIRECTORS:

M. G. George Muthoot
Whole Time Director and Chairman

:



George Thomas Muthoot
Whole Time Director

:



George Jacob Muthoot
Whole Time Director

:



George Alexander Muthoot
Managing Director

:



Alexander M. George
Whole Time Director

:



K. George John
Independent Director

:



Jacob Benjamin Koshy
Independent Director

:



John K Paul
Independent Director

:



George Joseph
Independent Director

:



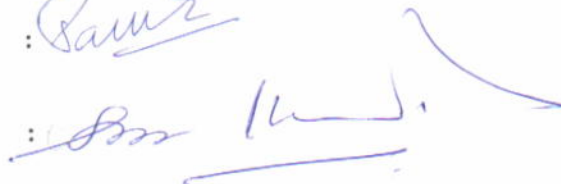
Pamela Anna Mathew
Independent Director

:



Jose Mathew
Independent Director

:



Date: 03-05-2019

Place: Kochi, India



ICRA

ICRA Limited

Ref.No.ICRA/HYD/MFL-196/2018-19/3112

December 31, 2018

Mr. Oommen K. Mammen
Chief Financial Officer
Muthoot Finance Limited
Muthoot Chambers
Opp. Saritha Theatre Complex
Banerji Road, Ernakulam
Kerala – 682 018

Dear Sir,

Re: ICRA Credit Rating for the Rs. 4,000 crore Non-Convertible Debenture (NCD) Programme of Muthoot Finance Limited

Please refer to the Rating Agreement dated December 19, 2018 for carrying out the rating of the aforesaid NCD Programme. The Rating Committee of ICRA, after due consideration, has assigned a [ICRA]AA (pronounced as ICRA Double A) rating to the captioned NCD Programme. Instruments with [ICRA]AA rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. Within this category modifiers {"+" (plus) / "-"(minus)} can be used with the rating symbols. The modifiers reflect the comparative standing within the category. The Outlook on the long-term rating is **Stable**.

In any of your publicity material or other document wherever you are using our above rating, it should be stated as "[ICRA]AA" with a **Stable** outlook. We would request if you can sign the acknowledgement and send it to us latest by January 8, 2019 as acceptance on the assigned rating. In case you do not communicate your acceptance/non-acceptance of the assigned credit rating, or do not appeal against the assigned credit rating by the aforesaid date, the credit rating will be treated by us as non-accepted and shall be disclosed on ICRA's website accordingly. This is in accordance with requirements prescribed in the circular dated June 30, 2017 on '*Monitoring and Review of Ratings by Credit Rating Agencies(CRAs)*' issued by the Securities and Exchange Board of India.

Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you and shall be deemed acceptance of the rating.

Karumuttu Centre, 5th Floor
634, Anna Salai, Nandanam
Chennai 600035

Tel. : +91.44.45964300
CIN : L74999DL1991PLC042749

Website : www.icra.in
Email : info@icraindia.com
Helpdesk : +91.124.2866928

Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +91.11.23357940-45

RATING • RESEARCH • INFORMATION 48193

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and accepted by you, it would be subject to our review and may result in change in the rating assigned. ICRA reserves the right to review and/or, revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds, debentures and/ or other instruments of like nature to be issued by you.

As mentioned above and in accordance with the aforesaid circular issued by SEBI, you are requested to furnish a monthly 'No Default Statement (NDS)' (in the format enclosed) on the first working day of every month, confirming the timeliness of payment of all obligations against the rated debt programme.

You are also requested to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing and keep us informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s). Further, you are requested to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority(ies) is exceeded.

Enclosed herewith is a copy of the rationale of the assigned rating for your reference. Please respond with your comments if any within the aforesaid timeline of January 8, 2019.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

We look forward to your communication and assure you of our best services.

With kind regards,

Yours sincerely,

For ICRA Limited



(K Ravichandiran)

Senior Vice President & Group Head-Corporate Ratings

ravichandiran@icraindia.com



(Meenakshi D)

Analyst

meenakshi.d@icraindia.com

Confidential

Ref:ICRA/HYD/MFL/RVL-5/2019-20/2304

April 24, 2019

Mr. Oommen K. Mammen
Chief Financial Officer
Muthoot Finance Limited
Muthoot Chambers
Opp. Saritha Theatre Complex
Banerji Road, Ernakulam, Kerala – 682 018

Dear Sir,

Re: ICRA rating for Rs.4,000.00 crore Non Convertible Debenture of Muthoot Finance Limited

Please refer to your request dated April 22, 2019 for revalidating the rating letter issued for the captioned programme.

We confirm that the [ICRA]AA (pronounced as ICRA double A) rating assigned to your captioned programme and last communicated to you vide our letter dated January 30, 2019 stands. Instruments with [ICRA]AA rating indicate high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The outlook on the long term rating is Stable. Within this category, rating modifier {“+” (plus) or “-” (minus)} can be used with the rating symbols. The modifier reflects the comparative standing within the category. The amount unutilized against this is Rs.3,290.54 crore.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same as communicated vide our letter Ref: ICRA/HYD/MFL/RVL-5/2018-19/3001 dated January 30, 2019. Also, the rating assumes that there will be no payment acceleration clause under the aforementioned Non Convertible Debenture Programme.

We look forward to further strengthening our existing relationship and assure you of our best services.

With kind regards,
Yours sincerely,
For ICRA Limited



[Rajeshwar Burla]
Asst. Vice President
rajeshwar.burla@icraindia.com



[Vinay kumar G]
Asst. Vice President
vinay.g@icraindia.com

Muthoot Finance Limited

January 07, 2019

Summary of rating action

Instrument ^{^^}	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture Programme (public - placement) - allocated		4,000.0	[ICRA]AA(Stable); Assigned
Non-convertible Debenture Programme (private placement) - unallocated	1,525.00	1,475.00	[ICRA]AA(Stable); Outstanding
Non-convertible Debenture Programme (private placement) - allocated	475.00	525.00	[ICRA]AA(Stable); Outstanding
Non-convertible Debenture Programme (public placement) - allocated	6,523.72	6,523.72	[ICRA]AA(Stable); Outstanding
Non-convertible Debenture Programme (public placement) - allocated	3.92	0.00	[ICRA]AA(Stable); Withdrawn*
Long-term Fund-based Bank Facilities	9,962.00 [#]	9,962.00 [#]	[ICRA]AA(Stable); Outstanding
Short-term Fund-based Bank Facilities	13,153.00 [#]	13,153.00 [#]	[ICRA]A1+; Outstanding
Term Loans	200.00	200.00	[ICRA]AA(Stable); Outstanding
Subordinated Debenture Programme	551.36	551.36	[ICRA]AA(Stable); Outstanding
Commercial Paper Programme	5,000.00	5,000.00	[ICRA]A1+; Outstanding
Total**	28,194.00	32,190.08	

^{^^} Instrument details are provided in Annexure-1

[#] Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 9,200.00 crore; the total rated bank facilities stand at Rs. 14,115.00 crore (including Rs. 200.0-crore term loans)

*ICRA has withdrawn the long-term rating of [ICRA]AA for MFL's non-convertible debenture (NCD) programme aggregating Rs. 3.92 crore as these debentures were fully redeemed and there is no outstanding against the rated instruments

** For the computation of total limits rated, total rated bank facilities (term loans, long-term and short-term bank limits) of Rs. 14,115 crore have been considered

Rationale

The ratings factor in Muthoot Finance Limited's (MFL) long-standing track record and its leadership position in the gold loan segment, its established franchise with a pan-India branch network, and its efficient internal controls and audit systems. The ratings also consider the company's comfortable capitalisation, ability to raise funds from diverse sources and good profitability indicators. ICRA takes note of the Group's portfolio diversification initiatives via its subsidiaries. Ability to grow the non-gold loan portfolio profitably would be critical over the medium term as the share of the non-gold business is expected to increase to 20% by March 2020 from 11% in September 2018.

The ratings are, however, constrained by the portfolio concentration in the gold loan business, MFL's geographically concentrated operations, and the vulnerability of its operations to adverse gold price fluctuations. The ratings also factor in the company's marginal borrower profile and limited earnings diversity. ICRA takes note of the improvement in MFL's delinquency levels in H1 FY2019 and believes it is critical to ensure collections from the overdue portfolio in the near term to keep the asset quality indicators under control.

Outlook: Stable

ICRA believes that MFL will continue to benefit from its established track record and comfortable overall financial risk profile. The outlook may be revised to Positive if the company demonstrates good quality and profitable growth in its non-gold business and controls the asset quality of the gold loan portfolio, while maintaining a comfortable overall capital and liquidity profile. The outlook may be revised to Negative in case of a significant deterioration in the Group's asset quality, profitability and capitalisation profile.

Key rating drivers

Credit strengths

Established franchise and market leadership in gold loan segment – MFL has a track record of around two decades in the gold loan business and is India's largest gold loan focussed NBFC with a total portfolio of Rs. 32,319 crore (of which 99% is gold loan) as on September 30, 2018 (Rs. 29,138 crore as on March 31, 2018). The consolidated portfolio stood at Rs. 35,956 crore in September 2018, of which gold, housing and microfinance accounted for 89%, 5% and 4%, respectively. The company operates through an extensive pan-India branch network of 4,370 as on September 30, 2018 with 62% of its branches being in South India, where it has a good franchise. The strong brand value of Muthoot, its experienced promoters and senior management team and its efficient internal controls and audit systems are expected to support its overall business growth going forward.

Healthy profitability indicators – The company's consolidated net profitability remained healthy with PAT/AMA at 5.4% (4.1% in FY2017) and return on average net worth at about 24.9% for FY2018. PAT/AMA (standalone) stood at 5.9% in H1 FY2019 (provisional), supported by healthy margins and operating efficiencies. Credit costs remained under control as the company fully recovered its principal and over 73% of the total interest receivable during the auctions in FY2018.

Capitalisation to remain comfortable over the medium term notwithstanding the investments required for its subsidiaries – MFL has a comfortable capitalisation profile with a standalone gearing of about 2.9 times as on March 31, 2018 (consolidated gearing of about 3.2 times) aided by good internal capital generation, while portfolio growth was relatively moderate. MFL's standalone net worth was Rs. 8,390 crore (as per Ind AS) as on September 30, 2018. It is expected to be comfortably placed to meet the medium-term capital requirements of its subsidiaries without adversely impacting its own capital structure.

Credit challenges

Vulnerability to adverse gold price movement – Notwithstanding its efforts to reduce the impact of gold price fluctuations, MFL's credit profile remains susceptible to adverse and sharp movements in gold prices. Any steep decline in gold prices is expected to adversely impact the company's asset quality and business profile.

Concentration on gold loan segment, limited product and revenue diversification – MFL's standalone portfolio almost entirely consists of gold loans and its consolidated portfolio is also concentrated with gold loans comprising 89% of the loan book as on September 30, 2018. The company's revenue diversification is also modest with non-interest income/average total assets at 0.6% in FY2018. Consolidated assets under management (AUM) stood at Rs. 32,159 crore (Rs. 35,956 crore as on September 30, 2018), registering a 12% growth (y-o-y) in FY2018. The share of subsidiaries was about 10% of the total AUM (March 2018), up from about 5% in March 2017. The overall portfolio growth in FY2018 was supported by the strong growth witnessed in the housing and microfinance subsidiaries, while the gold loan portfolio grew a modest 6%. Microfinance AUM almost doubled in FY2018 while housing AUM more than tripled during this period. The consolidated portfolio grew by 12% in H1 FY2019. Going forward, the share of subsidiaries is expected to increase to about 20% by March 2020 as they are expected to grow at a robust pace while gold loan growth is expected

to remain relatively moderate. The company's ability to profitably grow its non-gold business while maintaining good asset quality would be crucial.

Critical to control credit costs in gold loan segment – MFL's standalone asset quality improved in H1 FY2019. The stage 3 (as per Ind AS) reduced to 1.9% as on September 30, 2018 from 4.4% as on March 31, 2018 as loan collections improved. MFL's standalone NPA (as per I GAAP) declined to 4.56% in June 2018 from 6.98% in March 2018 (2.06% in March 2017); it reduced further in Q2 FY2019.

The increase in NPAs in FY2018 was because of the inclusion of other standard accounts of a non-performing borrower for NPA computation and transition in the NPA recognition norm to 90+dpd from 120+dpd. Auctioning, as a percentage of the opening portfolio, had reduced to 3.7% in FY2017 from 14.2% in FY2016. However, the same increased to 7.2% in FY2018 with a build-up in overdues. ICRA takes note of the additional standard asset provision and a gold price fluctuation provision totalling about Rs. 463 crore (1.5% of the gold loan portfolio) as on March 31, 2018, which, along with the liquid nature of the collateral, provide comfort. Going forward, timely collection, auctioning and a stable gold price would be critical for keeping delinquencies and credit costs under control. Gross NPAs in the housing and microfinance subsidiaries were, however, under control at 0.4% and 0.8%, respectively, as on March 31, 2018 (0.8% and 0.9%, respectively, as on September 30, 2018).

Operations concentrated in South India – MFL's operations are largely concentrated in South India, which constituted 62% of its total branch network and 50% of its total loan portfolio as on March 31, 2018. ICRA, however, notes that the share of the portfolio in South India has reduced from 69% in March 2012.

Liquidity position

MFL's asset liability maturity (ALM) profile, based on the past behavioural trend for the gold loan segment, reflects no cumulative negative mismatches in the <1-year bucket. Although the contractual tenor of gold loans is 12 months, most (~65-70%) of the loans are repaid or rolled over within 5-6 months. ICRA notes that company is faced with 15-20% loan rollovers in each of the maturity buckets, wherein only the interest is serviced, and the loan gets renewed based on the prevailing loan to value. ICRA notes that the ALM, adjusting for the rollovers, is also comfortable with no cumulative negative mismatch in the <1-year bucket.

MFL has a fairly-diversified funding profile with bank loans constituting 49% of its total borrowings as on September 30, 2018, followed by debentures - public issue (31%), debentures - private placement (3%), commercial papers (12%) and subordinated debt (3%). MFL has banking relationships with 27 banks. Diverse funding sources help the company in maintaining a comfortable liquidity position. MFL had unutilised bank limits of Rs. 1,011 crore and cash and liquidity investments of Rs. 2,293 crore as on November 30, 2018.

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA's Credit Rating Methodology for Non-Banking Finance Companies
Parent/Group Support	NA
Consolidation	For arriving at the ratings, ICRA has considered the consolidated financials of MFL. As on March 31, 2018, the company had four subsidiaries, that are listed in Annexure-2

About the company

Muthoot Finance Limited (MFL) is the flagship company of the Kerala-based business house, The Muthoot Group, which has diversified operations in financial services, healthcare, real estate, education, hospitality, power generation and entertainment. MFL was incorporated in 1997 and is India's largest gold loan focussed NBFC with total loan assets (standalone) of Rs. 29,134 crore and 4,325 branches as on March 31, 2018. While the company derives a major portion of its business from South India (50% of the total portfolio as on March 31, 2018), where gold loans have traditionally been accepted as a means of availing short-term credit, it has increased its presence beyond South India over the past few years.

MFL achieved a standalone net profit of Rs. 1,720 crore on an asset base of Rs. 31,382 crore in FY2018 against a net profit of Rs. 1,180 crore on an asset base of Rs. 30,713 crore in FY2017.

MFL reported a consolidated net profit of Rs. 1,799 crore on a consolidated asset base of Rs. 34,257 crore in FY2018 against a net profit of Rs. 1,207 crore on a consolidated asset base of Rs. 32,163 crore in FY2017.

Key financial indicators (audited)

	Standalone		Consolidated	
	FY2017	FY2018	FY2017	FY2018
Total Income	5,747	6,243	5,939	6,705
Profit after Tax*	1,180	1,720	1,200	1,784
Net Worth	6,516	7,760	6,517	7,794
Total Managed Portfolio	27,279	29,138	28,661	32,159
Total Managed Assets	30,713	31,382	32,163	34,257
Return on Average Managed Assets	4.1%	5.5%	4.1%	5.4%
Return on Average Net Worth	19.4%	24.1%	19.9%	24.9%
Gross NPA %	2.1%	7.0%	-	-
Net NPA %	1.7%	6.2%	-	-
Net NPA / Net Worth	7.1%	23.1%	-	-
Gearing (reported)	3.5	2.9	3.7	3.2
% CRAR	24.9%	26.6%	-	-

Note: Amount in Rs. crore; *After minority interest

Source: MFL's financial statements, ICRA research

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years

	Instrument	Type	Current Rating (FY2019)		January 2019	December 2018	Chronology of Rating History for the Past 3 Years		
			Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)			FY2018 October 2017	FY2017 August 2016	FY2016 February 2016
1	Long-term Debentures-Public Issue	Long Term	4,000.00	4,000.00	[ICRA]AA (Stable)	-	-	-	-
2	Long-term Debentures-Private Placement	Long Term	2,000.00	2,000.00	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
3	Long-term Debentures-Public Issue	Long Term	6,523.72	6,523.72	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
4	Long term Debentures-Public Issue	Long Term	3.92	0.00	[ICRA]AA (Stable) Withdrawn	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
5	Subordinated Debt	Long term	551.36	551.36	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
6	Term Loans	Long Term	200.00	200.00	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
7	Fund-based Bank Limits^	Long Term	9,962.00	9,962.00	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA (Stable)	[ICRA]AA- (Stable)
8	Fund-based Bank Limits^	Short Term	13,153.00	13,153.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
9	Commercial Paper	Short Term	5,000.00	5,000.00	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+

^ Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 9,200.00 crore; the total rated bank facilities are Rs. 14,115.00 crore (including Rs. 200.00-crore term loans)

Complexity level of the rated instrument

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure-1: Instrument details

ISIN No.	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07472	Non-convertible Debentures	4-Feb-14	10.75 & 11.50	4-Feb-19	1.03	[ICRA]AA(Stable)
INE414G07506	Non-convertible Debentures	4-Feb-14	11.25 & 12.00	4-Feb-19	1.63	[ICRA]AA(Stable)
INE414G07548	Non-convertible Debentures	4-Feb-14	Zero Coupon	4-Feb-19	1.13	[ICRA]AA(Stable)
INE414G07571	Non-convertible Debentures	2-Apr-14	10.25 & 11.00	2-Apr-19	0.69	[ICRA]AA(Stable)
INE414G07605	Non-convertible Debentures	2-Apr-14	10.75 & 11.50	2-Apr-19	0.35	[ICRA]AA(Stable)
INE414G07647	Non-convertible Debentures	2-Apr-14	Zero Coupon	2-Apr-19	0.27	[ICRA]AA(Stable)
INE414G07670	Non-convertible Debentures	4-Jul-14	10.25 & 11.00	4-Jul-19	2.88	[ICRA]AA(Stable)
INE414G07704	Non-convertible Debentures	4-Jul-14	10.75 & 11.50	4-Jul-19	3.22	[ICRA]AA(Stable)
INE414G07746	Non-convertible Debentures	4-Jul-14	Zero Coupon	4-Jul-19	1.86	[ICRA]AA(Stable)
INE414G07779	Non-convertible Debentures	26-Sep-14	10.25 & 11.00	26-Sep-19	3.00	[ICRA]AA(Stable)
INE414G07803	Non-convertible Debentures	26-Sep-14	10.50 & 11.25	26-Sep-19	1.72	[ICRA]AA(Stable)
INE414G07845	Non-convertible Debentures	26-Sep-14	Zero Coupon	26-Sep-19	1.56	[ICRA]AA(Stable)
INE414G07878	Non-convertible Debentures	29-Dec-14	10.00 & 10.75	29-Dec-19	2.69	[ICRA]AA(Stable)
INE414G07902	Non-convertible Debentures	29-Dec-14	10.25 & 11.00	29-Dec-19	2.13	[ICRA]AA(Stable)
INE414G07944	Non-convertible Debentures	29-Dec-14	Zero Coupon	29-Dec-19	2.23	[ICRA]AA(Stable)
INE414G07977	Non-convertible Debentures	23-Apr-15	9.50 & 10.25	23-Apr-20	2.35	[ICRA]AA(Stable)
INE414G07AA9	Non-convertible Debentures	23-Apr-15	9.75 & 10.50	23-Apr-20	2.38	[ICRA]AA(Stable)
INE414G07AE1	Non-convertible Debentures	23-Apr-15	Zero Coupon	23-Apr-20	1.27	[ICRA]AA(Stable)
INE414G07AH4	Non-convertible Debentures	14-Oct-15	8.75 & 9.50	14-Oct-20	1.15	[ICRA]AA(Stable)
INE414G07AK8	Non-convertible Debentures	14-Oct-15	9.00 & 9.75	14-Oct-20	0.98	[ICRA]AA(Stable)
INE414G07AO0	Non-convertible Debentures	14-Oct-15	Zero Coupon	14-Oct-20	1.07	[ICRA]AA(Stable)
INE414G07BB5	Non-convertible Debentures	12-May-16	9.50 & 8.75	12-May-19	141.85	[ICRA]AA(Stable)
INE414G07BC3	Non-convertible Debentures	12-May-16	9.00 & 8.25	12-May-21	1.75	[ICRA]AA(Stable)
INE414G07BE9	Non-convertible Debentures	12-May-16	9.75 & 9.00	12-May-19	99.98	[ICRA]AA(Stable)
INE414G07BF6	Non-convertible Debentures	12-May-16	9.25 & 8.50	12-May-21	1.26	[ICRA]AA(Stable)
INE414G07BJ8	Non-convertible Debentures	12-May-16	Zero Coupon	12-May-19	60.41	[ICRA]AA(Stable)
INE414G07BO8	Non-convertible Debentures	30-Jan-17	8.75 & 8.50	30-Jan-19	5.21	[ICRA]AA(Stable)
INE414G07BP5	Non-convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-20	26.43	[ICRA]AA(Stable)
INE414G07BQ3	Non-convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-22	11.13	[ICRA]AA(Stable)
INE414G07BR1	Non-convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-19	282.20	[ICRA]AA(Stable)
INE414G07BS9	Non-convertible Debentures	30-Jan-17	9.25 & 9.00	30-Jan-20	839.27	[ICRA]AA(Stable)
INE414G07BT7	Non-convertible Debentures	30-Jan-17	9.25 & 9.00	30-Jan-22	82.50	[ICRA]AA(Stable)
INE414G07BW1	Non-convertible Debentures	30-Jan-17	Zero Coupon	30-Jan-19	5.03	[ICRA]AA(Stable)
INE414G07BX9	Non-convertible Debentures	30-Jan-17	Zero Coupon	30-Jan-20	17.20	[ICRA]AA(Stable)
INE414G07BY7	Non-convertible Debentures	24-Apr-17	8.25	24-Apr-19	45.28	[ICRA]AA(Stable)
INE414G07BZ4	Non-convertible Debentures	24-Apr-17	8.5	24-Jun-20	68.68	[ICRA]AA(Stable)
INE414G07CA5	Non-convertible Debentures	24-Apr-17	8.75	24-Apr-22	61.18	[ICRA]AA(Stable)
INE414G07CB3	Non-convertible Debentures	24-Apr-17	8.5	24-Apr-19	74.25	[ICRA]AA(Stable)
INE414G07CC1	Non-convertible Debentures	24-Apr-17	8.75	24-Jun-20	1420.43	[ICRA]AA(Stable)
INE414G07CD9	Non-convertible Debentures	24-Apr-17	9	24-Apr-22	190.56	[ICRA]AA(Stable)
INE414G07CG2	Non-convertible Debentures	24-Apr-17	Zero Coupon	24-Apr-19	15.50	[ICRA]AA(Stable)
INE414G07CH0	Non-convertible Debentures	24-Apr-17	Zero Coupon	24-Jun-20	38.03	[ICRA]AA(Stable)
INE414G07CI8	Non-convertible Debentures	19-Apr-18	8.25	19-Apr-20	11.98	[ICRA]AA(Stable)
INE414G07CJ6	Non-convertible Debentures	19-Apr-18	8.5	19-Jun-21	27.11	[ICRA]AA(Stable)
INE414G07CK4	Non-convertible Debentures	19-Apr-18	8.75	19-Apr-23	56.51	[ICRA]AA(Stable)
INE414G07CL2	Non-convertible Debentures	19-Apr-18	8.5	19-Apr-20	71.61	[ICRA]AA(Stable)
INE414G07CM0	Non-convertible Debentures	19-Apr-18	8.75	19-Jun-21	1862.45	[ICRA]AA(Stable)

ISIN No.	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE414G07CN8	Non-convertible Debentures	19-Apr-18	9	19-Apr-23	721.85	[ICRA]AA(Stable)
INE414G07CO6	Non-convertible Debentures	19-Apr-18	Zero Coupon	24-May-19	14.41	[ICRA]AA(Stable)
INE414G07CP3	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Apr-20	8.80	[ICRA]AA(Stable)
INE414G07CQ1	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Jun-21	19.73	[ICRA]AA(Stable)
INE414G07CR9	Non-convertible Debentures	19-Apr-18	Zero Coupon	19-Apr-23	205.55	[ICRA]AA(Stable)
INE414G07CS7	Non-convertible Debentures (private)	26-Jul-18	9.75	26-Jul-21	175.00	[ICRA]AA(Stable)
INE414G07CT5	Non-convertible Debentures (private)	13-Aug-18	9.6	22-Jun-20	250.00	[ICRA]AA(Stable)
INE414G07CU3	Non-convertible Debentures (private)	22-Nov-18	9.25	1-Feb-21	7.00	[ICRA]AA(Stable)
INE414G07CV1	Non-convertible Debentures (private)	22-Nov-18	9.5	1-Feb-21	8.00	[ICRA]AA(Stable)
INE414G07CW9	Non-convertible Debentures (private)	22-Nov-18	9.5	1-Feb-22	45.00	[ICRA]AA(Stable)
INE414G07CX7	Non-convertible Debentures (private)	22-Nov-18	9.75	1-Feb-22	40.00	[ICRA]AA(Stable)
NA	Non-convertible Debentures (private) ^{###}	-	-	-	1475.00	[ICRA]AA(Stable)
NA	Non-convertible Debentures (public) ^{###}	-	-	-	4000.00	[ICRA]AA(Stable)
Total Non-Convertible Debentures					12,523.72	
Subordinated Debt						
INE414G09015	Subordinated Debt	26-Mar-13	12.35	26-Mar-23	10.00	[ICRA]AA(Stable)
INE414G08215	Subordinated Debt	25-Sep-13	Zero Coupon	25-Sep-19	20.97	[ICRA]AA(Stable)
INE414G08223	Subordinated Debt	4-Dec-13	Zero Coupon	4-Dec-19	23.29	[ICRA]AA(Stable)
INE414G08231	Subordinated Debt	4-Feb-14	Zero Coupon	4-Feb-20	43.76	[ICRA]AA(Stable)
INE414G08249	Subordinated Debt	2-Apr-14	Zero Coupon	2-Jul-20	19.35	[ICRA]AA(Stable)
INE414G08256	Subordinated Debt	4-Jul-14	Zero Coupon	4-Oct-20	36.45	[ICRA]AA(Stable)
INE414G08264	Subordinated Debt	26-Sep-14	Zero Coupon	26-Mar-21	30.44	[ICRA]AA(Stable)
INE414G08272	Subordinated Debt	29-Dec-14	Zero Coupon	29-Jun-21	38.65	[ICRA]AA(Stable)
INE414G08280	Subordinated Debt	23-Apr-15	Zero Coupon	23-Jan-22	28.91	[ICRA]AA(Stable)
INE414G08298	Subordinated Debt	14-Oct-15	Zero Coupon	14-Oct-22	35.95	[ICRA]AA(Stable)
INE414G08314	Subordinated Debt	12-May-16	Zero Coupon	12-Nov-23	23.60	[ICRA]AA(Stable)
INE414G08330	Subordinated Debt	30-Jan-17	Zero Coupon	30-Jan-25	31.78	[ICRA]AA(Stable)
INE414G08348	Subordinated Debt	24-Apr-17	Zero Coupon	24-Apr-25	18.72	[ICRA]AA(Stable)
Unallocated	Subordinated Debt ^{###}	-	-	-	68.22	[ICRA]AA(Stable)
Unallocated	Subordinated Debt ^{###}	-	-	-	31.28	[ICRA]AA(Stable)
Unallocated	Subordinated Debt ^{###}	-	-	-	90.00	[ICRA]AA(Stable)
Total Subordinated Debt					551.36	
NA	Term Loans	Mar-17	-	Mar-19	200.00	[ICRA]AA(Stable)
NA	Long-term fund-based bank facilities	-	-	-	9,962.00 [^]	[ICRA]AA(Stable)
NA	Short-term fund-based bank facilities	-	-	-	13,153.00 [^]	[ICRA]A1+
Total Bank Facilities					14,115.00	

ISIN No.	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Commercial Programme	Paper -	-	-	5,000.00	[ICRA]A1+

Source: MFL

Yet to be placed

^ Long-term and short-term fund-based bank limits include an interchangeable limit of Rs. 9,200.00 crore; the total rated bank facilities are Rs. 14,115.00 crore (including Rs. 200.00-crore term loans)

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership (as on September 2018)	Consolidation Approach
Belstar Investment and Finance Limited	65.89%	Full Consolidation
Muthoot HomeFin Limited	100.00%	Full Consolidation
Asia Asset Finance PLC	60.00%	Full Consolidation
Muthoot Insurance and Brokers	100.00%	Full Consolidation

ANALYST CONTACTS

Mr. Karthik Srinivasan

+91 22 6114 3444

karthiks@icraindia.com

Mr. A M Karthik

+91 44 4596 4308

a.karthik@icraindia.com

Ms. Swathi Hebbar

+91 80 4332 6404

swathi.hebbar@icraindia.com

Ms. Meenakshi D

+91 44 4297 4306

meenakshi.d@icraindia.com

RELATIONSHIP CONTACT

Mr. L. Shivakumar

E-mail: shivakumar@icraindia.com

Tel: +91 22 6114 3406 / +91 98210 86490

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani

Tel: +91 124 4545 860

communications@icraindia.com

Helpline for business queries:

+91-124-2866928 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

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

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

For more information, visit www.icra.in

ICRA Limited

Corporate Office

Building No. 8, 2nd Floor, Tower A; DLF Cyber City, Phase II; Gurgaon 122 002

Tel: +91 124 4545300

Email: info@icraindia.com

Website: www.icra.in

Registered Office

1105, Kailash Building, 11th Floor; 26 Kasturba Gandhi Marg; New Delhi 110001

Tel: +91 11 23357940-50

Branches

Mumbai + (91 22) 24331046/53/62/74/86/87
Chennai + (91 44) 2434 0043/9659/8080, 2433 0724/ 3293/3294,
Kolkata + (91 33) 2287 8839 /2287 6617/ 2283 1411/ 2280 0008,
Bangalore + (91 80) 2559 7401/4049
Ahmedabad+ (91 79) 2658 4924/5049/2008
Hyderabad + (91 40) 2373 5061/7251
Pune + (91 20) 2556 0194/ 6606 9999

© Copyright, 2019 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

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

CONFIDENTIAL

MTOFL/215293/NCD/01182019
January 18, 2019

Mr. George Alexander Muthoot
Managing Director
Muthoot Finance Limited
Corporate Office: Muthoot Chambers
Opposite Saritha Theatre Complex
Banerji Road, Kochi 682018

Dear Mr. George Alexander Muthoot,

Re: CRISIL Rating on the Rs.4000 Crore Non-Convertible Debentures of Muthoot Finance Limited

We refer to your request for a rating for the captioned Non-Convertible Debentures.

CRISIL has, after due consideration, assigned its "**CRISIL AA/Stable**" (pronounced as CRISIL double A rating with Stable outlook) rating to the captioned debt instrument. 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 purpose of issuance of the captioned debt instrument, this letter is valid for 180 calendar days from the date of the letter. In the event of your company not placing the above instrument within this period, or in the event of any change in the size/structure of your proposed issue, the rating shall have to be reviewed and a letter of revalidation shall have to be issued to you. Once the instrument is issued, the above rating is valid throughout the life of the captioned debt instrument.

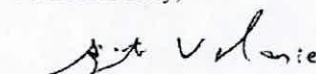
As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

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

With warm regards,

Yours sincerely,



Ajit Velonie
Director - CRISIL Ratings



Nivedita Shibu
Associate Director - CRISIL Ratings



A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available ~~with CRISIL~~ to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.
Corporate Identity Number: L67120MH1967P-LL042363

**Details of the Rs.4000 Crore Non-Convertible Debentures of
Muthoot Finance Limited**

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

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

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available with CRISIL. For the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

CONFIDENTIAL

MTOFL/215293/NCD/01182019/2

April 22, 2019

Mr. George Alexander Muthoot

Managing Director

Muthoot Finance Limited

Corporate Office: Muthoot Chambers

Opposite Saritha Theatre Complex

Banerji Road, Kochi 682018

Dear Mr. George Alexander Muthoot,

Re: CRISIL Rating on the Rs.4000 Crore Non-Convertible Debentures of Muthoot Finance Limited

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

Please refer to our rating letters dated January 31, 2019 bearing Ref. no.: MTOFL/215293/NCD/01182019/1

Please find in the table below the rating outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Crore)	Rating Outstanding
1	Non-Convertible Debentures	4000	CRISIL AA/Stable

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

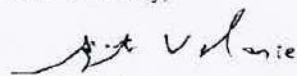
As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crsil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crsil.com

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

With warm regards,

Yours sincerely,



Ajit Velonie

Director - CRISIL Ratings



Nivedita Shibu

Associate Director - CRISIL Ratings



A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. CRISIL or its associates may have other commercial transactions with the company/entity. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crsil.com. For the latest rating information on any instrument, please refer to the CRISIL website. CRISIL Limited Corporate Identity Number: U67201MH1987PLC0042863 Customer Service Helpdesk at 1800-267-1301

Rating Rationale

January 18, 2019 | Mumbai

Muthoot Finance Limited

'CRISIL AA/Stable' assigned to NCD

Rating Action

Rs.4000 Crore Non-Convertible Debentures	CRISIL AA/Stable (Assigned)
Rs.1500 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.3000 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.1950 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.1300 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.365.27 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.3.78 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.3.92 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.5.18 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.92.62 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.500 Crore Non-Convertible Debentures	CRISIL AA/Stable (Reaffirmed)
Rs.43.7571 Crore Subordinate Bond	CRISIL AA/Stable (Reaffirmed)
Rs.23.2879 Crore Subordinate Bond	CRISIL AA/Stable (Reaffirmed)
Rs.20.93 Crore Subordinate Bond	CRISIL AA/Stable (Reaffirmed)
Rs.100 Crore Subordinate Bond	CRISIL AA/Stable (Reaffirmed)
Rs.50 Crore Subordinated Debt	CRISIL AA/Stable (Reaffirmed)
Rs.31.78 Crore Subordinated Debt	CRISIL AA/Stable (Reaffirmed)
Rs.23.0392 Crore Subordinated Debt	CRISIL AA/Stable (Reaffirmed)
Rs.5000 Crore Commercial Paper	CRISIL A1+ (Reaffirmed)

1 crore = 10 million

Refer to annexure for Details of Instruments & Bank Facilities

Detailed Rationale

CRISIL has assigned its '**CRISIL AA/Stable**' on the non-convertible debentures of Muthoot Finance Limited (Muthoot Finance). The rating on other debt instruments and long-term bank facility has been reaffirmed at '**CRISIL AA/Stable/CRISIL A1+**'.

The rating continues to reflect Muthoot Finance's promoter's strong track record of over seven decades in the business, with a strong reputation and brand in South India, particularly in Kerala and Tamil Nadu. Capitalization is adequate, with a networth of Rs 8790 crore and adjusted gearing of 2.8 times, as on September 30, 2018. Muthoot Finance's profitability continues to remain above average with return of assets (ROA) higher than 4.0% over the medium term. These strengths are partially offset by Muthoot Finance's high geographic concentration in revenue in South India, which currently accounts for about 50% of its total loans and challenges associated with the non-gold product segments.

Asset quality of Muthoot Finance (standalone basis), as measured by gross NPAs (GNPA), has seen an improvement during first half of fiscal 2019. The gross NPAs (Stage III assets as per Ind-AS) has reduced to 1.9% as on September 30, 2018 from 4.4% as on March 31, 2018. The improvement was due to recoveries/auctions done by the company during this quarter.

The NPA position of Muthoot Finance during last 2 quarters of fiscal 2018 saw deterioration. The increase in NPAs was on account of three reasons. Firstly, the change in NPA recognition norms from 120+ dpd to 90+ dpd. Secondly, the company chose to strategically plan the auction process and provide additional time to borrowers to repay the loans, particularly for loans with a tenure of 6 months as against conventional loan tenure of 12 months. Thirdly, during Q4 of fiscal 2018, to comply with RBI regulations, Muthoot Finance changed NPA recognition from loan account-wise to customer-wise. Muthoot Finance had total gross NPA of Rs 2033 crore as on March 31, 2018 out of which the NPAs of Rs 742 crore were due to change in recognition of NPAs from loan account wise to customer wise.

CRISIL believes that the NPA position of Muthoot Finance will stabilize over next 2 quarters as the 6 month tenure portfolio runs down and the company also increases the pace of auctions in forthcoming months. This is also reflected in the steps taken by the company to reduce NPA levels during first half of fiscal 2019.

Analytical Approach

To arrive at the rating CRISIL has consolidated the business and financial risk profile of Muthoot Finance and its subsidiaries viz Muthoot Homefin India Ltd (rated, 'CRISIL AA/Stable') and Belstar Investment and Finance Private Limited.

Key Rating Drivers & Detailed Description

Strengths

* Established track record in financing against gold jewellery

Muthoot Finance's leadership position in the business of providing finance against gold jewellery is backed by the promoter family's established track record, extending to over seven decades. The company had market share of around 46% as on March 31, 2018 within NBFC space and this is expected to continue over the medium term. The rich experience gained over this period has helped Muthoot Finance design an appropriate assessment and underwriting methodology; the company constantly refines this methodology. Assessing the purity of gold without causing any damage to the jewellery, fixing an appropriate value that can be lent against a gram of gold, and determining appropriate LTV ratios are critical aspects in the assessment process. Backed by extensive business experience, Muthoot Finance has developed a robust model that has helped it maintain strong asset quality, scale up business significantly, and facilitate easy replication over various geographic areas. With its large branch network (4370 branches as on September 30, 2018) and client base and steady geographic diversification, particularly in relatively untapped northern and western regions (accounting for 23% and 19%, respectively, of total advances, as on September 30, 2018), gives the first-mover advantage to Muthoot Finance, leading to improved competitive position over the medium term.

* Adequate capitalization

Capitalization is adequate, with consolidated networth of Rs 8790 crore and gearing of 2.8 times as on September 30, 2018. Large accretion to networth and moderation in growth in the past three years resulted in a healthy capital

adequacy ratio of 25.92% as on September 30, 2018. Lower asset-side risk (security of gold, which is liquid and is in the lender's possession) also supports capitalization. The AUM in the gold loan segment is not expected to grow sharply over the medium term. Also, other segments (affordable housing finance, and microfinance finance) have a relatively small scale. Even after factoring in investments in the subsidiaries housing finance company, Muthoot Homefin (India) Ltd, and Belstar Investment and Finance Private Ltd, a microfinance company, CRISIL believes that consolidated gearing will remain below 5.5 times over the medium term.

*** Profitability to remain healthy**

Profitability has improved with return on assets (RoA) at 5.5% for fiscal 2018 from 4.1% in fiscal 2017 mainly on account of recovery efforts and partly due to favorable movement in gold prices. During first half of fiscal 2019, the RoA stood at 5.9% as against 5.1% during corresponding period of previous year. Though Muthoot Finance charges relatively low interest rates than its peers its operating efficiency enables the company to maintain healthy profitability. With increased focus on collection on interest on regular basis along with revision in its interest rates on different schemes has resulted in higher yields and higher profitability during fiscal 2018. On account of healthy asset quality the credit cost is expected to remain at around 1% over the medium term. In addition, the company is diversifying into other asset segments where its ability to maintain asset quality will remain a key rating monitorable.

Weakness

*** Geographical concentration in revenue profile**

Muthoot Finance has high geographic concentration in South India, which currently accounts for about 50% of its total loans. While the level of concentration has been declining and is much lower than that of peers, the significant regional exposure exposes the company vulnerable to economic, social, and political situation in the region. Furthermore, implementation of the Kerala Money Lenders Act, 1958, for NBFCs (which depends on the decision of the Supreme Court) could affect Muthoot Finance's lending rates and operational expenditure as the compliance requirements under the act would be rigorous and cumbersome. This will remain a key rating monitorable.

Nevertheless, in terms of product segments, Muthoot Finance has steadily diversified its product suite. Housing finance (Muthoot Homefin) and Microfinance (Belstar Investments) has grown their portfolio substantially during last 2 years. As a result, the proportion of non-gold assets has increased to 10% as on September 30, 2018 and is expected to increase to over 15% over the medium term. In addition, the company has also made announcement of acquisition of 'Muthoot Money Private Ltd' which is involved in vehicle finance business. With this acquisition, the share of non-gold segments would increase further. Therefore, the concentration in revenue profile, which currently is on gold loans, expected to reduce with the increase in scale of operations in housing, microfinance and vehicle loan business.

*** Challenges associated with non-gold loan segments:**

Growth, asset quality, and profitability in the non-gold loan businesses are yet to stabilise. The track record in housing finance segment is relatively short due to which the portfolio is not well seasoned. The company operates in the affordable housing finance segment, and caters to self-employed customers, engaged in small business activities. These borrowers have relatively weak credit risk profiles because of the volatile nature of their income and employment in unorganised segments. Therefore, the delinquencies are likely to increase as the portfolio achieves more seasoning. Similarly, the company is also diversified in microfinance loans which are unsecured in nature. Through MFI loans, the company lends primarily to the weaker sections of the society. Therefore, remain exposed to local level socio political and legislative issues associated with the sector.

Outlook: Stable

CRISIL believes the company will also continue to benefit from its adequate capitalisation and strong earnings profile. The outlook may be upgraded if Muthoot Finance achieves further stability and profitability in each of the non-gold business segments, along with sustained business growth. The outlook may be revised 'Negative' in case of a steep decline in interest collection or asset quality, profitability, or capitalisation within the gold loan segment.

Liquidity Profile

CRISIL's analysis of Muthoot Finance's asset liability maturity profile as of September 2018 shows cumulative positive mismatches across all buckets upto 1 year. As per the ALM statement as on September 30, 2018, Muthoot finance had outflows of Rs 18,185 crore till 1 year and against this, the expected inflows are over Rs 31,000 crore. Out of the inflows maturing till 1 year (i.e. Rs 31000 crore), more than 70% were maturing till 6 months. These high level of inflows is attributed to the effective maturity of gold loans being about 4 ' 5 months.

Further, Muthoot Finance has raised Rs 2465 crore through commercial papers (CPs) during October and November 2018. The repayment of outstanding CPs are adequately staggered with highest single day repayment being around Rs.400 crore. The liquidity position is also supported by un-utilised bank lines of Rs 1390 crore as on date in addition to liquidity of Rs 2020 crore (Cash and bank balance of Rs 616 and investment in mutual funds of Rs 1900 crore). Considering these aspects, CRISIL believes that Muthoot finance's liquidity position will remain comfortable over medium term.

About the Company

Muthoot Finance, an NBFC, was originally set up as a private limited company in 1997; this was reconstituted as a public limited company in November 2008. It provides finance against used household gold jewellery; the promoters' family has been in this business for over seven decades. Muthoot Finance is the flagship company of the Muthoot group (promoters of Muthoot Finance), which is also in the hospitality, healthcare, media, education, information technology, foreign exchange, insurance distribution, and money transfer businesses. The company had a nationwide network of around 4370 branches as on September 30, 2018. It had gold loan advances book of Rs 30,562 Crore, and a networth of Rs 8,307 Crore, as on June 30, 2018. For fiscal 2018, Muthoot Finance's standalone PAT and total income grew to Rs. 1,720 Crore and Rs 6,243 Crore, from Rs. 1,180 Crore and Rs. 5,747 Crore, respectively, the previous fiscal. During first quarter of fiscal 2019, the company reported PAT of Rs 492 crore on total income of Rs 1,633 crore as against PAT of Rs 345 crore on total income of Rs 1,377 crore during the same period previous year.

For fiscal 2018, on a consolidated basis, PAT (Before adjustment for minority interest) was Rs 1,799 crore on total income of Rs 6,705 crore, against PAT (Before adjustment for minority interest) of Rs 1,207 crore on total income of Rs 5,938 crore for fiscal 2017.

Key financials of Muthoot Finance - Standalone

As on/ for the period ended March 31		Q2/Sep 18#	2018	2017
Total managed assets	Rs crore	34,601	31,382	30,713
Total income	Rs crore	3,283	6,243	5,747
Profit after tax	Rs crore	975	1,720	1,180
Gross NPA	%	1.9	7.0 (90+ dpd)	2.1 (120+ dpd)
Gearing	Times	2.8	2.7	3.2
Return on managed assets	%	5.9	5.5	4.1

under IND-AS

All amounts are in Rs.Cr.

Any other information: Not applicable

Note on complexity levels of the rated instrument:

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

Annexure - Details of Instrument(s)

ISIN	Name of instrument	Date of Allotment	Coupon rate (%)	Maturity date	Issued Size (Rs cr)
NA	Debentures^	NA	NA	NA	40
NA	Debentures^	NA	NA	NA	15
INE414G07225	Secured Redeemable Non-Convertible Debentures#	1-Nov-12	11.75	1-Nov-17	42
INE414G07233	Secured Redeemable Non-Convertible Debentures#	1-Nov-12	12	1-Nov-17	31
INE414G07241	Secured Redeemable Non-Convertible Debentures#	1-Nov-12	N.A	1-Nov-18	18
INE414G07274	Secured Redeemable Non-Convertible Debentures#	25-Sep-13	11.5	25-Sep-18	1
INE414G07308	Secured Redeemable Non-Convertible Debentures#	25-Sep-13	12	25-Sep-18	2
INE414G07340	Secured Redeemable Non-Convertible Debentures#	25-Sep-13	N.A	25-Sep-18	1
INE414G07373	Secured Redeemable Non-Convertible Debentures	4-Dec-13	10.75 & 11.50	4-Dec-18	1
INE414G07407	Secured Redeemable Non-Convertible Debentures	4-Dec-13	11.25 & 12.00	4-Dec-18	1
INE414G07449	Secured Redeemable Non-Convertible Debentures	4-Dec-13	N.A	4-Dec-18	1
INE414G07472	Secured Redeemable Non-Convertible Debentures	4-Feb-14	10.75 & 11.50	4-Feb-19	1
INE414G07506	Secured Redeemable Non-Convertible Debentures	4-Feb-14	11.25 & 12.00	4-Feb-19	1
INE414G07548	Secured Redeemable Non-Convertible Debentures	4-Feb-14	N.A	4-Feb-19	1
INE414G07AQ5	Secured Redeemable Non-Convertible Debentures#	20-Jan-16	9.50 & 8.75	20-Jan-18	33
INE414G07AR3	Secured Redeemable Non-Convertible Debentures	20-Jan-16	9.75 & 9.00	20-Jan-19	11
INE414G07AS1	Secured Redeemable Non-Convertible Debentures	20-Jan-16	9.25 & 8.50	20-Jan-21	1
INE414G07AT9	Secured Redeemable Non-Convertible Debentures#	20-Jan-16	9.75 & 9.00	20-Jan-18	39
INE414G07AU7	Secured Redeemable Non-Convertible Debentures	20-Jan-16	10.00 & 9.25	20-Jan-19	97
INE414G07AV5	Secured Redeemable Non-Convertible Debentures	20-Jan-16	9.50 & 8.75	20-Jan-21	0
INE414G07AX1	Secured Redeemable Non-Convertible Debentures#	20-Jan-16	N.A	20-Jan-18	28
INE414G07AY9	Secured Redeemable Non-Convertible Debentures	20-Jan-16	N.A	20-Jan-19	47
INE414G07AZ6	Secured Redeemable Non-Convertible Debentures	20-Jan-16	N.A	20-Jan-21	0
INE414G07BO8	Secured Redeemable Non-Convertible Debentures	30-Jan-17	8.75 & 8.50	30-Jan-19	5
INE414G07BP5	Secured Redeemable Non-Convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-20	26
INE414G07BQ3	Secured Redeemable Non-Convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-22	11
INE414G07BR1	Secured Redeemable Non-Convertible Debentures	30-Jan-17	9.00 & 8.75	30-Jan-19	28
INE414G07BS9	Secured Redeemable Non-Convertible Debentures	30-Jan-17	9.25 & 9.00	30-Jan-20	83
INE414G07BT7	Secured Redeemable Non-Convertible Debentures	30-Jan-17	9.25 & 9.00	30-Jan-22	82
INE414G07BU5	Secured Redeemable Non-Convertible Debentures#	30-Jan-17	N.A	6-Mar-18	29
INE414G07BV3	Secured Redeemable Non-Convertible Debentures#	30-Jan-17	N.A	30-Jul-18	1
INE414G07BW1	Secured Redeemable Non-Convertible Debentures	30-Jan-17	N.A	30-Jan-19	1
INE414G07BX9	Secured Redeemable Non-Convertible Debentures	30-Jan-17	N.A	30-Jan-20	17
INE414G07BY7	Secured Redeemable Non-Convertible Debentures	24-Apr-17	8.25	24-Apr-19	45
INE414G07BZ4	Secured Redeemable Non-Convertible Debentures	24-Apr-17	8.5	24-Jun-20	68
INE414G07CA5	Secured Redeemable Non-Convertible Debentures	24-Apr-17	8.75	24-Apr-22	61
INE414G07CB3	Secured Redeemable Non-Convertible Debentures	24-Apr-17	8.5	24-Apr-19	74

INE414G07CC1	Secured Redeemable Non-Convertible Debentures	24-Apr-17	8.75	24-Jun-20	142
INE414G07CD9	Secured Redeemable Non-Convertible Debentures	24-Apr-17	9	24-Apr-22	19
INE414G07CE7	Secured Redeemable Non-Convertible Debentures#	24-Apr-17	NA	29-May-18	29
INE414G07CF4	Secured Redeemable Non-Convertible Debentures	24-Apr-17	NA	24-Oct-18	6
INE414G07CG2	Secured Redeemable Non-Convertible Debentures	24-Apr-17	NA	24-Apr-19	15
INE414G07CH0	Secured Redeemable Non-Convertible Debentures	24-Apr-17	NA	24-Jun-20	3
INE414G07CI8	Secured Redeemable Non-Convertible Debentures	19-Apr-18	8.25	19-Apr-20	11
INE414G07CJ6	Secured Redeemable Non-Convertible Debentures	19-Apr-18	8.5	19-Jun-21	27
INE414G07CK4	Secured Redeemable Non-Convertible Debentures	19-Apr-18	8.75	19-Apr-23	56
INE414G07CL2	Secured Redeemable Non-Convertible Debentures	19-Apr-18	8.5	19-Apr-20	71
INE414G07CM0	Secured Redeemable Non-Convertible Debentures	19-Apr-18	8.75	19-Jun-21	186
INE414G07CN8	Secured Redeemable Non-Convertible Debentures	19-Apr-18	9	19-Apr-23	721
INE414G07CO6	Secured Redeemable Non-Convertible Debentures	19-Apr-18	NA	24-May-19	14
INE414G07CP3	Secured Redeemable Non-Convertible Debentures	19-Apr-18	NA	19-Apr-20	8
INE414G07CQ1	Secured Redeemable Non-Convertible Debentures	19-Apr-18	NA	19-Jun-21	19
INE414G07CR9	Secured Redeemable Non-Convertible Debentures	19-Apr-18	NA	19-Apr-23	205
INE414G07CS7	Secured Redeemable Non-Convertible Debentures	26-Jul-18	9.75	26-Jul-21	17
NE414G07CT5	Secured Redeemable Non-Convertible Debentures	13-Aug-18	9.60	22-Jun-20	25
N.A.	Secured Redeemable Non-Convertible Debentures^	N.A	N.A	N.A	7
INE414G08215	Subordinated Bond	25-Sep-13	N.A	25-Sep-19	20
INE414G08223	Subordinated Bond	4-Dec-13	N.A	4-Dec-19	23
INE414G08231	Subordinated Bond	4-Feb-14	N.A	4-Feb-20	43
INE414G08306	Subordinated Debt	20-Jan-16	N.A	20-Apr-23	2
INE414G08330	Subordinated Debt	30-Jan-17	N.A	30-Jan-25	31
INE414G08348	Subordinated Debt	24-Apr-17	N.A	24-Apr-25	18
INE414G09015	Subordinated Bond	26-Mar-13	N.A	26-Mar-23	1
N.A.	Subordinated Bond^	N.A	N.A	N.A	9
N.A.	Subordinated Debt^	N.A	N.A	N.A	31
N.A.	Commercial Paper	N.A	N.A	7-365 days	50

^ Yet to be issued

CRISIL is awaiting independent confirmation of redemption before withdrawing rating on the instruments

Annexure - Rating History for last 3 Years

	Current			2019 (History)		2018		2017		
Instrument	Type	Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date
Commercial Paper	ST	5000.00	CRISIL A1+			29-11-18	CRISIL A1+	31-10-17	CRISIL A1+	
						19-09-18	CRISIL A1+			
						31-07-18	CRISIL A1+			
						29-01-18	CRISIL A1+			
						19-01-18	CRISIL A1+			
Non Convertible Debentures	LT	7145.80 18-01-19	CRISIL AA/Stable			29-11-18	CRISIL AA/Stable	31-10-17	CRISIL AA/Stable	08-11-16
						19-09-18	CRISIL AA/Stable	24-10-17	CRISIL AA/Stable	01-07-16
						31-07-18	CRISIL AA/Stable	08-03-17	CRISIL AA/Stable	
						29-01-18	CRISIL AA/Stable			
						19-01-18	CRISIL AA/Stable			
Short Term Debt	ST							24-10-17	CRISIL A1+	08-11-16
								08-03-17	CRISIL A1+	01-07-16
Subordinate Bond	LT	98.00 18-01-19	CRISIL AA/Stable			29-11-18	CRISIL AA/Stable	31-10-17	CRISIL AA/Stable	08-11-16
						19-09-18	CRISIL AA/Stable	24-10-17	CRISIL AA/Stable	01-07-16
						31-07-18	CRISIL AA/Stable	08-03-17	CRISIL AA/Stable	
						29-01-18	CRISIL AA/Stable			
						19-01-18	CRISIL AA/Stable			
Subordinated Debt	LT	73.52 18-01-19	CRISIL AA/Stable			29-11-18	CRISIL AA/Stable	31-10-17	CRISIL AA/Stable	08-11-16
						19-09-18	CRISIL AA/Stable	24-10-17	CRISIL AA/Stable	01-07-16
						31-07-18	CRISIL AA/Stable	08-03-17	CRISIL AA/Stable	
						29-01-18	CRISIL AA/Stable			
						19-01-18	CRISIL AA/Stable			

All amounts are in Rs.Cr.

Links to related criteria

[CRISILs Bank Loan Ratings - process, scale and default recognition](#)

[Rating Criteria for Finance Companies](#)

[CRISILs Criteria for rating short term debt](#)

For further information contact:

Media Relations	Analytical Contacts	Customer Service
<p>Saman Khan Media Relations CRISIL Limited D: +91 22 3342 3895 B: +91 22 3342 3000 saman.khan@crisil.com</p> <p>Naireen Ahmed Media Relations CRISIL Limited D: +91 22 3342 1818 B: +91 22 3342 3000 naireen.ahmed@crisil.com</p> <p>Vinay Rajani Media Relations CRISIL Limited D: +91 22 3342 1835 M: +91 91 676 42913 B: +91 22 3342 3000 vinay.rajani@ext-crisil.com</p>	<p>Krishnan Sitaraman Senior Director - CRISIL Ratings CRISIL Limited D: +91 22 3342 8070 krishnan.sitaraman@crisil.com</p> <p>Ajit Velonie Director - CRISIL Ratings CRISIL Limited D: +91 22 4097 8209 ajit.velonie@crisil.com</p> <p>Prashant Mane Rating Analyst - CRISIL Ratings CRISIL Limited D: +91 22 3342 3397 prashant.mane@crisil.com</p>	<p>Timings: 10.00 am to 7.00 pm Toll free Number: 1800 267 1000</p> <p>For a copy of Rationales / CRISILratingdesk@crisil.com</p> <p>For Analytical queries: ratingsinvestordesk@crisil.com</p>

Note for Media:

This rating rationale is transmitted to you for the sole purpose of dissemination through your newspaper / magazine / agency. The rating rationale may be used by you in full or in part without changing the meaning or context thereof but with due credit to CRISIL. However, CRISIL alone has the sole right of distribution (whether directly or indirectly) of its rationales for consideration or otherwise through any media including websites, portals etc.

About CRISIL Limited

CRISIL is a leading agile and innovative, global analytics company driven by its mission of making markets function better. We are India's foremost provider of ratings, data, research, analytics and solutions. A strong track record of growth, culture of innovation and global footprint sets us apart. We have delivered independent opinions, actionable insights, and efficient solutions to over 1,00,000 customers.

We are majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

For more information, visit www.crisil.com

Connect with us: [TWITTER](#) | [LINKEDIN](#) | [YOUTUBE](#) | [FACEBOOK](#)

About CRISIL Ratings

CRISIL Ratings is part of CRISIL Limited ("CRISIL"). We pioneered the concept of credit rating in India in 1987. CRISIL is registered in India as a credit rating agency with the Securities and Exchange Board of India ("SEBI"). With a tradition of independence, analytical rigour and innovation, CRISIL sets the standards in the credit rating business. We rate the entire range of debt instruments, such as, bank loans, certificates of deposit, commercial paper, non-convertible / convertible / partially convertible bonds and debentures, perpetual bonds, bank hybrid capital instruments, asset-backed and mortgage-backed securities, partial guarantees and other structured debt instruments. We have rated over 24,500 large and mid-scale corporates and financial institutions. CRISIL has also instituted several innovations in India in the rating business, including rating municipal bonds, partially guaranteed instruments and microfinance institutions. We also pioneered a globally unique rating service for Micro, Small and Medium Enterprises (MSMEs) and significantly extended the accessibility to rating services to a wider market. Over 1,10,000 MSMEs have been rated by us.

CRISIL PRIVACY

CRISIL respects your privacy. We may use your contact information, such as your name, address, and email id to fulfil your request and service your account and to provide you with additional information from CRISIL. For further information on CRISIL's privacy policy please visit www.crisil.com.

DISCLAIMER

This disclaimer forms part of and applies to each credit rating report and/or credit rating rationale that we provide (each a "Report"). For the avoidance of doubt, the term "Report" includes the information, ratings and other content forming part of the Report. The Report is intended for the jurisdiction of India only. This Report does not constitute an offer of services. Without limiting the generality of the foregoing, nothing in the Report is to be construed as CRISIL providing or intending to provide any services in jurisdictions where CRISIL does not have the necessary licenses and/or registration to carry out its business activities referred to above. Access or use of this Report does not create a client relationship between CRISIL and the user.

We are not aware that any user intends to rely on the Report or of the manner in which a user intends to use the Report. In preparing our Report we have not taken into consideration the objectives or particular needs of any particular user. It is made abundantly clear that the Report is not intended to and does not constitute an investment advice. The Report is not an offer to sell or an offer to purchase or subscribe for any investment in any securities, instruments, facilities or solicitation of any kind or otherwise enter into any deal or transaction with the entity to which the Report pertains. The Report should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in the US).

Ratings from CRISIL Rating are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities / instruments or to make any investment decisions. Any opinions expressed here are in good faith, are subject to change without notice, and are only current as of the stated date of their issue. CRISIL assumes no obligation to update its opinions following publication in any form or format although CRISIL may disseminate its opinions and analysis. CRISIL rating contained in the Report is not a substitute for the skill, judgment and experience of the user, its management, employees, advisors and/or clients when making investment or other business decisions. The recipients of the Report should rely on their own judgment and take their own professional advice before acting on the Report in any way. CRISIL or its associates may have other commercial transactions with the company/entity.

Neither CRISIL nor its affiliates, third party providers, as well as their directors, officers, shareholders, employees or agents (collectively, "CRISIL Parties") guarantee the accuracy, completeness or adequacy of the Report, and no CRISIL Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Report. EACH CRISIL PARTY DISCLAIMS ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. In no event shall any CRISIL Party be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Report even if advised of the possibility of such damages.

CRISIL Ratings may receive compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities

or from obligors. CRISIL's public ratings and analysis as are required to be disclosed under the regulations of the Securities and Exchange Board of India (and other applicable regulations, if any) are made available on its web sites, www.crisil.com (free of charge). Reports with more detail and additional information may be available for subscription at a fee – more details about CRISIL ratings are available here: www.crisilratings.com.

CRISIL and its affiliates do not act as a fiduciary. While CRISIL has obtained information from sources it believes to be reliable, CRISIL does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives and / or relies in its Reports. CRISIL keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of CRISIL may have information that is not available to other CRISIL business units. CRISIL has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process. CRISIL has in place a ratings code of conduct and policies for analytical firewalls and for managing conflict of interest. For details please refer to: <https://www.crisil.com/en/home/our-businesses/ratings/regulatory-disclosures/highlighted-policies.html>

CRISIL's rating criteria are generally available without charge to the public on the CRISIL public web site, www.crisil.com. For latest rating information on any instrument of any company rated by CRISIL you may contact CRISIL RATING DESK at CRISILratingdesk@crisil.com, or at (0091) 1800 267 1301.

This Report should not be reproduced or redistributed to any other person or in any form without a prior written consent of CRISIL.

All rights reserved @ CRISIL

9988 / ITSL / OPR / CL / 18-19 / DEB / 1742

Date: 14-Jan-2019

Muthoot Finance Limited
2nd Floor, Muthoot Chambers
Banerji Road, Kochi- 682 018
Kerala, India.

Dear Sirs,

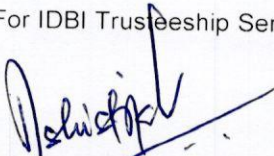
Re: PROPOSED PUBLIC ISSUE BY MUTHOOT FINANCE LIMITED, ("COMPANY" OR "ISSUER") OF SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF Rs.1,000 EACH, ("NCDs"), FOR AN AMOUNT AGGREGATING UP TO Rs.40,000 MILLIONS ("SHELF LIMIT") HEREINAFTER REFERRED TO AS THE "ISSUE" WHICH IS TO BE ISSUED IN ONE OR MORE TRANCHE UP TO THE SHELF LIMIT, ON TERMS AND CONDITIONS AS SET OUT IN THE RELEVANT TRANCHE PROSPECTUS FOR ANY TRANCHE ISSUE (EACH A "TRANCHE ISSUE").

We, IDBI Trusteeship Services Limited, do hereby consent to act as the Debenture Trustee to the Company in accordance with Regulation 4 (4) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 with respect to the Issue/Tranche Issue(s) and to our name being inserted as the Debenture Trustee, in the Draft Shelf Prospectus to be filed with the stock exchange(s) for the purposes of receiving public comments and the Shelf Prospectus/ Tranche Prospectus to be filed with the Registrar of Companies and the stock exchange(s) in which the Company intends to issue in respect of the Issue and also all related advertisements and the subsequent communications sent to the holders of debt securities pursuant to the Issue/ Tranche Issue(s).

We hereby authorise you to deliver this letter of consent to the stock exchange(s) or any other regulatory authorities as may be required by law.

Yours faithfully,

For IDBI Trusteeship Services Limited



Authorised Signatory

SCHEDULE A | CASH FLOWS FOR VARIOUS OPTIONS

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. The illustration of cash flow is based on the Tranche II Issue Closing Date as mentioned in this Tranche II Prospectus and post issue timelines which are subject to change.

Option I

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10, 2019 / June 14, 2019
Redemption	June 14, 2021
Coupon Rate for all Category of investors	9.25%
Frequency of the interest payment with specified dates	First interest on August 01, 2019 and subsequently on the 1 st day of every month.
Day count convention	Actual/actual

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹) All Category of investors
1st coupon	Thursday, August 01, 2019	Thursday, August 01, 2019	48	12.00
2nd coupon	Sunday, September 01, 2019	Monday, September 02, 2019	31	8.00
3rd coupon	Tuesday, October 01, 2019	Tuesday, October 01, 2019	30	8.00
4th coupon	Friday, November 01, 2019	Friday, November 01, 2019	31	8.00
5th coupon	Sunday, December 01, 2019	Monday, December 02, 2019	30	8.00
6th coupon	Wednesday, January 01, 2020	Wednesday, January 01, 2020	31	8.00
7th coupon	Saturday, February 01, 2020	Saturday, February 01, 2020	31	8.00
8th coupon	Sunday, March 01, 2020	Monday, March 02, 2020	29	7.00
9th coupon	Wednesday, April 01, 2020	Wednesday, April 01, 2020	31	8.00
10th coupon	Friday, May 01, 2020	Saturday, May 02, 2020	30	8.00
11th coupon	Monday, June 01, 2020	Monday, June 01, 2020	31	8.00
12th coupon	Wednesday, July 01, 2020	Wednesday, July 01, 2020	30	8.00
13th coupon	Saturday, August 01, 2020	Saturday, August 01, 2020	31	8.00
14th coupon	Tuesday, September 01, 2020	Tuesday, September 01, 2020	31	8.00
15th coupon	Thursday, October 01, 2020	Thursday, October 01, 2020	30	8.00
16th coupon	Sunday, November 01, 2020	Monday, November 02, 2020	31	8.00
17th coupon	Tuesday, December 01, 2020	Tuesday, December 01, 2020	30	8.00

18th coupon	Friday, January 01, 2021	Friday, January 01, 2021	31	8.00
19th coupon	Monday, February 01, 2021	Monday, February 01, 2021	31	8.00
20th coupon	Monday, March 01, 2021	Monday, March 01, 2021	28	7.00
21st coupon	Thursday, April 01, 2021	Thursday, April 01, 2021	31	8.00
22nd coupon	Saturday, May 01, 2021	Monday, May 03, 2021	30	8.00
23rd coupon	Tuesday, June 01, 2021	Tuesday, June 01, 2021	31	8.00
24th coupon	Monday, June 14, 2021	Monday, June 14, 2021	13	3.00
Principal/ Maturity value	Monday, June 14, 2021	Monday, June 14, 2021	-	1,000.00
Total				1,189.00

Option II

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10 ,2019 / June 14, 2019
Redemption	August 14, 2022
Coupon Rate for all Category of investors	9.50%
Frequency of the interest payment with specified dates	First interest on August 01, 2019 and subsequently on the 1st day of every month.
Day count convention	Actual/actual

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹)
				All Category of investors
1st coupon	Thursday, August 01, 2019	Thursday, August 01, 2019	48	12.00
2nd coupon	Sunday, September 01, 2019	Monday, September 02, 2019	31	8.00
3rd coupon	Tuesday, October 01, 2019	Tuesday, October 01, 2019	30	8.00
4th coupon	Friday, November 01, 2019	Friday, November 01, 2019	31	8.00
5th coupon	Sunday, December 01, 2019	Monday, December 02, 2019	30	8.00
6th coupon	Wednesday, January 01, 2020	Wednesday, January 01, 2020	31	8.00
7th coupon	Saturday, February 01, 2020	Saturday, February 01, 2020	31	8.00
8th coupon	Sunday, March 01, 2020	Monday, March 02, 2020	29	8.00
9th coupon	Wednesday, April 01, 2020	Wednesday, April 01, 2020	31	8.00
10th coupon	Friday, May 01, 2020	Saturday, May 02, 2020	30	8.00
11th coupon	Monday, June 01, 2020	Monday, June 01, 2020	31	8.00
12th coupon	Wednesday, July 01, 2020	Wednesday, July 01, 2020	30	8.00
13th coupon	Saturday, August 01, 2020	Saturday, August 01, 2020	31	8.00
14th coupon	Tuesday, September 01, 2020	Tuesday, September 01, 2020	31	8.00
15th coupon	Thursday, October 01, 2020	Thursday, October 01, 2020	30	8.00
16th coupon	Sunday, November 01, 2020	Monday, November 02, 2020	31	8.00
17th coupon	Tuesday, December 01, 2020	Tuesday, December 01, 2020	30	8.00
18th coupon	Friday, January 01, 2021	Friday, January 01, 2021	31	8.00

19 th coupon	Monday, February 01, 2021	Monday, February 01, 2021	31	8.00
20 th coupon	Monday, March 01, 2021	Monday, March 01, 2021	28	7.00
21 st coupon	Thursday, April 01, 2021	Thursday, April 01, 2021	31	8.00
22 nd coupon	Saturday, May 01, 2021	Monday, May 03, 2021	30	8.00
23 rd coupon	Tuesday, June 01, 2021	Tuesday, June 01, 2021	31	8.00
24 th coupon	Thursday, July 01, 2021	Thursday, July 01, 2021	30	8.00
25 th coupon	Sunday, August 01, 2021	Monday, August 02, 2021	31	8.00
26 th coupon	Wednesday, September 01, 2021	Wednesday, September 01, 2021	31	8.00
27 th coupon	Friday, October 01, 2021	Friday, October 01, 2021	30	8.00
28 th coupon	Monday, November 01, 2021	Monday, November 01, 2021	31	8.00
29 th coupon	Wednesday, December 01, 2021	Wednesday, December 01, 2021	30	8.00
30 th coupon	Saturday, January 01, 2022	Saturday, January 01, 2022	31	8.00
31 st coupon	Tuesday, February 01, 2022	Tuesday, February 01, 2022	31	8.00
32 nd coupon	Tuesday, March 01, 2022	Tuesday, March 01, 2022	28	7.00
33 rd coupon	Friday, April 01, 2022	Friday, April 01, 2022	31	8.00
34 th coupon	Sunday, May 01, 2022	Monday, May 02, 2022	30	8.00
35 th coupon	Wednesday, June 01, 2022	Wednesday, June 01, 2022	31	8.00
36 th coupon	Friday, July 01, 2022	Friday, July 01, 2022	30	8.00
37 th coupon	Monday, August 01, 2022	Monday, August 01, 2022	31	8.00
38 th coupon	Sunday, August 14, 2022	Friday, August 12, 2022	13	3.00
Principal/ Maturity value	Sunday, August 14, 2022	Friday, August 12, 2022		1,000.00
Total				1,301.00

Option III

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10 ,2019 / June 14, 2019
Redemption	June 14, 2024
Coupon Rate for all Category of investors	9.75%
Frequency of the interest payment with specified dates	First interest on August 01, 2019 and subsequently on the 1st day of every month.
Day count convention	Actual/actual

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹) All Category of investors
1 st coupon	Thursday, August 01, 2019	Thursday, August 01, 2019	48	13.00
2 nd coupon	Sunday, September 01, 2019	Monday, September 02, 2019	31	8.00
3 rd coupon	Tuesday, October 01, 2019	Tuesday, October 01, 2019	30	8.00
4 th coupon	Friday, November 01, 2019	Friday, November 01, 2019	31	8.00
5 th coupon	Sunday, December 01, 2019	Monday, December 02, 2019	30	8.00

6th coupon	Wednesday, January 01, 2020	Wednesday, January 01, 2020	31	8.00
7th coupon	Saturday, February 01, 2020	Saturday, February 01, 2020	31	8.00
8th coupon	Sunday, March 01, 2020	Monday, March 02, 2020	29	8.00
9th coupon	Wednesday, April 01, 2020	Wednesday, April 01, 2020	31	8.00
10th coupon	Friday, May 01, 2020	Saturday, May 02, 2020	30	8.00
11th coupon	Monday, June 01, 2020	Monday, June 01, 2020	31	8.00
12th coupon	Wednesday, July 01, 2020	Wednesday, July 01, 2020	30	8.00
13th coupon	Saturday, August 01, 2020	Saturday, August 01, 2020	31	8.00
14th coupon	Tuesday, September 01, 2020	Tuesday, September 01, 2020	31	8.00
15th coupon	Thursday, October 01, 2020	Thursday, October 01, 2020	30	8.00
16th coupon	Sunday, November 01, 2020	Monday, November 02, 2020	31	8.00
17th coupon	Tuesday, December 01, 2020	Tuesday, December 01, 2020	30	8.00
18th coupon	Friday, January 01, 2021	Friday, January 01, 2021	31	8.00
19th coupon	Monday, February 01, 2021	Monday, February 01, 2021	31	8.00
20th coupon	Monday, March 01, 2021	Monday, March 01, 2021	28	7.00
21st coupon	Thursday, April 01, 2021	Thursday, April 01, 2021	31	8.00
22nd coupon	Saturday, May 01, 2021	Monday, May 03, 2021	30	8.00
23rd coupon	Tuesday, June 01, 2021	Tuesday, June 01, 2021	31	8.00
24th coupon	Thursday, July 01, 2021	Thursday, July 01, 2021	30	8.00
25th coupon	Sunday, August 01, 2021	Monday, August 02, 2021	31	8.00
26th coupon	Wednesday, September 01, 2021	Wednesday, September 01, 2021	31	8.00
27th coupon	Friday, October 01, 2021	Friday, October 01, 2021	30	8.00
28th coupon	Monday, November 01, 2021	Monday, November 01, 2021	31	8.00
29th coupon	Wednesday, December 01, 2021	Wednesday, December 01, 2021	30	8.00
30th coupon	Saturday, January 01, 2022	Saturday, January 01, 2022	31	8.00
31st coupon	Tuesday, February 01, 2022	Tuesday, February 01, 2022	31	8.00
32nd coupon	Tuesday, March 01, 2022	Tuesday, March 01, 2022	28	7.00
33rd coupon	Friday, April 01, 2022	Friday, April 01, 2022	31	8.00
34th coupon	Sunday, May 01, 2022	Monday, May 02, 2022	30	8.00
35th coupon	Wednesday, June 01, 2022	Wednesday, June 01, 2022	31	8.00
36th coupon	Friday, July 01, 2022	Friday, July 01, 2022	30	8.00
37th coupon	Monday, August 01, 2022	Monday, August 01, 2022	31	8.00
38th coupon	Thursday, September 01, 2022	Thursday, September 01, 2022	31	8.00
39th coupon	Saturday, October 01, 2022	Saturday, October 01, 2022	30	8.00
40th coupon	Tuesday, November 01, 2022	Tuesday, November 01, 2022	31	8.00
41st coupon	Thursday, December 01, 2022	Thursday, December 01, 2022	30	8.00
42nd coupon	Sunday, January 01, 2023	Monday, January 02, 2023	31	8.00
43rd coupon	Wednesday, February 01, 2023	Wednesday, February 01, 2023	31	8.00
44th coupon	Wednesday, March 01, 2023	Wednesday, March 01, 2023	28	7.00
45th coupon	Saturday, April 01, 2023	Saturday, April 01, 2023	31	8.00
46th coupon	Monday, May 01, 2023	Tuesday, May 02, 2023	30	8.00
47th coupon	Thursday, June 01, 2023	Thursday, June 01, 2023	31	8.00
48th coupon	Saturday, July 01, 2023	Saturday, July 01, 2023	30	8.00
49th coupon	Tuesday, August 01, 2023	Tuesday, August 01, 2023	31	8.00
50th coupon	Friday, September 01, 2023	Friday, September 01, 2023	31	8.00
51st coupon	Sunday, October 01, 2023	Tuesday, October 03, 2023	30	8.00
52nd coupon	Wednesday, November 01, 2023	Wednesday, November 01, 2023	31	8.00
53rd coupon	Friday, December 01, 2023	Friday, December 01, 2023	30	8.00

54th coupon	Monday, January 01, 2024	Monday, January 01, 2024	31	8.00
55th coupon	Thursday, February 01, 2024	Thursday, February 01, 2024	31	8.00
56th coupon	Friday, March 01, 2024	Friday, March 01, 2024	29	8.00
57th coupon	Monday, April 01, 2024	Monday, April 01, 2024	31	8.00
58th coupon	Wednesday, May 01, 2024	Thursday, May 02, 2024	30	8.00
59th coupon	Saturday, June 01, 2024	Saturday, June 01, 2024	31	8.00
60th coupon	Friday, June 14, 2024	Friday, June 14, 2024	13	3.00
Principal/ Maturity value	Friday, June 14, 2024	Friday, June 14, 2024		1000.00
Total				1,477.00

Option IV

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10 ,2019 / June 14, 2019
Redemption	June 14, 2021
Coupon Rate for all Category of investors	9.50%
Frequency of the interest payment with specified dates	First interest on June 14, 2020 but payable on June 15, 2020 (since June 14, 2020 is a holiday) and subsequently on the June 14 th every year
Day count convention	Actual/actual

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹)
				All Category of investors
1st coupon	Sunday, June 14, 2020	Monday, June 15, 2020	366	95.00
2nd coupon	Monday, June 14, 2021	Monday, June 14, 2021	365	95.00
Principal/ Maturity value	Monday, June 14, 2021	Monday, June 14, 2021		1000.00
Total				1,190.00

Option V

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10 ,2019 / June 14, 2019
Redemption	August 14, 2022
Coupon Rate for all Category of investors	9.75%
Frequency of the interest payment with specified dates	First interest on June 14, 2020 but payable on June 15, 2020 (since June 14, 2020 is a holiday) and subsequently on the June 14 th every year
Day count convention	Actual/actual

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹) All Category of investors
1 st coupon	Sunday, June 14, 2020	Monday, June 15, 2020	366	98.00
2 nd coupon	Monday, June 14, 2021	Monday, June 14, 2021	365	98.00
3 rd coupon	Tuesday, June 14, 2022	Tuesday, June 14, 2022	365	98.00
4 th coupon	Sunday, August 14, 2022	Friday, August 12, 2022	61	16.00
Principal/ Maturity value	Sunday, August 14, 2022	Friday, August 12, 2022		1000.00
Total				1,310.00

Option VI

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10 ,2019 / June 14, 2019
Redemption	June 14, 2024
Coupon Rate for all Category of investors	10.00%
Frequency of the interest payment with specified dates	First interest on June 14, 2020 but payable on June 15, 2020 (since June 14, 2020 is a holiday) and subsequently on the June 14 th every year
Day count convention	Actual/actual

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹) All Category of investors
1 st coupon	Sunday, June 14, 2020	Monday, June 15, 2020	366	100.00
2 nd coupon	Monday, June 14, 2021	Monday, June 14, 2021	365	100.00
3 rd coupon	Tuesday, June 14, 2022	Tuesday, June 14, 2022	365	100.00
4 th coupon	Wednesday, June 14, 2023	Wednesday, June 14, 2023	365	100.00
5 th coupon	Friday, June 14, 2024	Friday, June 14, 2024	366	100.00
Principal/ Maturity value	Friday, June 14, 2024	Friday, June 14, 2024		1000.00
Total				1,500.00

Option VII

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10 ,2019 / June 14, 2019
Redemption	June 14, 2021

Coupon Rate for all Category of investors	N.A.
Frequency of the interest payment with specified dates	NA
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines.Subject to further change

Cash Flows	Due Date	Date of payment	No. of days in Coupon Period	Amount (in ₹) All Category of investors
Principal / Maturity value	Monday, June 14, 2021	Monday, June 14, 2021		1,194.00
Total				1,194.00

Option VIII

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10 ,2019 / June 14, 2019
Redemption	Aug 14, 2022
Coupon Rate for all Category of investors	N.A.
Frequency of the interest payment with specified dates	NA
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines.Subject to further change

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹) All Category of investors
Principal / Maturity value	Sunday, August 14, 2022	Friday, August 12, 2022		1,334.00
Total				1,334.00

Option IX

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10 ,2019 / June 14, 2019
Redemption	June 14, 2024
Coupon Rate for all Category of investors	N.A.

Frequency of the interest payment with specified dates	NA
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines. Subject to further change

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹) All Category of investors
Principal / Maturity value	Friday, June 14, 2024	Friday, June 14, 2024		1,592.00
Total				1,592.00

Option X

Company	Muthoot Finance Limited
Face value (per security)	₹ 1,000.00
Issue Date/ Date of Allotment (tentative)*	May 10 ,2019 / June 14, 2019
Redemption	December 14, 2026
Coupon Rate for all Category of investors	N.A.
Frequency of the interest payment with specified dates	NA
Day count convention	Actual/actual

* Based on current Issue Closing date and post Issue timelines. Subject to further change

Cash Flows	Due Date	Date of a payment	No. of days in Coupon Period	Amount (in ₹) All Category of investors
Principal / Maturity value	Monday, December 14, 2026	Monday, December 14, 2026		2,000.00
Total				2,000.00

Assumptions:

1. The Deemed Date of Allotment is assumed to be June 14, 2019. If the Deemed Date of Allotment undergoes a change, the coupon payments dates, redemption dates, redemption amount and other cash flow working shall be changed accordingly.
2. Interest payable during the Financial Year 2020 and 2024, being leap years, have been calculated for 366 days.
3. In the event, the interest / pay-out of total coupon / redemption amount is a fraction and not an integer, such amount will be rounded off to the nearest integer. By way of illustration if the redemption amount is ₹ 2,515.07 /-, then the amount shall be rounded off to Rs. 2,515.00. However, this rounding off to nearest integer at the time of payment of interest and/or redemption amount will be done per debenture holder. The

Coupon/ Interest Payments are rounded-off to nearest rupee as per FIMMDA “Handbook on market practices”.

ANNEXURE A

UNAUDITED FINANCIAL STATEMENTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2018

Limited Review Report

The Board of Directors

Muthoot Finance Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of Muthoot Finance Limited (“the Company”) for the period ended 31 December 2018 (“the Statement”). This statement has been prepared by the company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as modified by Circular No CIR/CFD/FAC/62/2016 dated July 5 2016. Attention is drawn to the fact that the figures for the corresponding quarter and nine months ended 31 December 2017 including the reconciliation of profit under Ind AS of the corresponding quarter with profit reported under previous GAAP, as reported in these financial results have been approved by company’s Board of Directors but have not been subjected to review.
2. This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors/ Committee of Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “*Review of Interim Financial Information Performed by the Independent Auditor of the Entity.*” issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards, i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Varma & Varma
Chartered Accountants
FRN:004532 S

Place : Kochi
Date : 06.02.2019

Sd/-
V Sathyanarayanan
Partner
(Membership No. 021941)

MUTHOOT FINANCE LIMITED
Registered and Corporate Office: 2nd Floor, Muthoot Chambers,
Opposite Saritha Theatre Complex, Banerji Road, Kochi - 682 018, India.
CIN : L65910KL1997PLC011300

Ph. No. : 0484 2396478, Fax No. : 0484 2396506, Website : www.muthootfinance.com,
Email : mails@muthootgroup.com

Statement of Unaudited Standalone Financial Results for the Quarter and nine months ended December 31, 2018

Rs. in Lakhs except for equity share data

Particulars	Quarter ended			Nine months ended	
	31-Dec-18	30-Sep-18	31-Dec-17	31-Dec-18	31-Dec-17
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue from operations					
(i) Interest income	1,68,272.30	1,63,157.41	1,56,520.81	4,92,512.70	4,56,821.87
(ii) Dividend income	-	-	-	-	200.97
(iii) Net gain/(loss) on fair value changes	1,645.11	(28.60)	21.70	2,034.01	902.24
(iv) Service charges	1,191.81	1,270.34	866.76	3,549.64	2,095.61
(v) Others	542.40	563.99	615.71	1,753.00	1,893.64
(I) Total Revenue from operations	1,71,651.62	1,64,963.14	1,58,024.98	4,99,849.35	4,61,914.33
(II) Other Income	59.42	48.44	1,117.27	172.83	1,147.63
(III) Total Income (I + II)	1,71,711.04	1,65,011.58	1,59,142.25	5,00,022.18	4,63,061.96
Expenses					
(i) Finance costs	58,888.09	53,535.01	47,247.16	1,62,579.44	1,47,786.07
(ii) Impairment on financial instruments	190.69	253.63	5,045.94	709.59	18,000.68
(iii) Employee benefits expenses	19,803.21	20,855.71	18,889.51	62,346.26	56,939.50
(iv) Depreciation, amortization and impairment	1,100.83	1,002.42	1,149.55	3,014.16	3,250.05
(v) Other expenses	13,496.09	14,836.16	12,496.06	43,111.97	34,562.22
(IV) Total Expenses (IV)	93,478.91	90,482.93	84,828.22	2,71,761.42	2,60,538.52
(V) Profit before tax (III- IV)	78,232.13	74,528.65	74,314.03	2,28,260.76	2,02,523.44
(VI) Tax Expense:					
(1) Current tax	27,285.85	26,276.93	25,736.46	80,631.77	73,612.77
(2) Deferred tax	183.26	(131.65)	710.68	(673.26)	1,983.59
(3) Taxes relating to prior years	2,238.07	-	-	2,238.07	-
(VII) Profit for the period (V-VI)	48,524.95	48,383.37	47,866.89	1,46,064.18	1,26,927.08
(VIII) Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss	(122.42)	(403.89)	181.37	(367.26)	477.14
(ii) Income tax relating to items that will not be reclassified to profit or loss	43.60	139.78	(62.77)	128.34	(165.13)
Other comprehensive income/ (loss) (net of tax)	(78.82)	(264.11)	118.60	(238.92)	312.01
(IX) Total comprehensive income for the period (VII+VIII)	48,446.13	48,119.26	47,985.49	1,45,825.26	1,27,239.09
(X) Earnings per equity share (not annualised)					
(Face value of Rs. 10 each)					
Basic (Rs.)	12.12	12.09	11.98	36.50	31.77
Diluted (Rs.)	12.12	12.07	11.95	36.43	31.65

See accompanying notes to financial results

MUTHOOT FINANCE LIMITED
Registered and Corporate Office: 2nd Floor, Muthoot Chambers,
Opposite Saritha Theatre Complex, Banerji Road, Kochi - 682 018, India.

CIN : L65910KL1997PLC011300

Ph. No. : 0484 2396478, Fax No. : 0484 2396506, Website : www.muthootfinance.com,

Email : mails@muthootgroup.com

Notes:

1. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on February 5, 2019 and February 6, 2019.
2. The Company has adopted Indian Accounting Standards ('Ind AS') as notified under Section 133 of the Companies Act 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules 2015 from April 1, 2018. The financial results together with the results for the comparative reporting period of the Company have been prepared in accordance with the recognition and measurement principles as laid down in Ind AS 34 - Interim Financial Reporting. The effective date of transition to Ind AS is April 1, 2017 and the same has been carried out from the erstwhile Accounting Standards notified under the Act, read with relevant rules of Companies (Accounts) Rules 2014, guidelines issued by the Reserve Bank of India ('RBI') and other generally accepted accounting principles in India (collectively referred to as 'the Previous GAAP').

The impact of above transition has been recorded in the opening reserves as at April 1, 2017 and the corresponding figures pertaining to comparative previous period as presented in these financial results have been restated / reclassified in order to conform to current period presentation. Provision created on loan assets in earlier periods towards non-performing assets and standards assets which is in excess of the amount currently determined on application of expected credit loss method as per Ind AS 109 ('Financial Instruments') has been retained in the books of accounts, as a matter of prudence and carried under 'Provisions' in Balance Sheet.

These financial results may require further adjustments, if any, necessitated by guidelines/ clarifications/ directions issued in the future by RBI, Ministry of Corporate Affairs or other regulators, which will be implemented as and when the same are issued/ made applicable.

The financial statements have been presented in accordance with format prescribed for Non Banking Finance Companies under the Companies (Indian Accounting Standards) Rules, 2015 in Division III of Schedule III as per Notification No G.S.R. 1022(E) dated 11.10.2018, issued by Ministry of Corporate Affairs, Government of India.

3. The company has opted to avail the relaxations provided by the Securities and Exchange Board of India (SEBI) vide Circular No: CIR/CFD/ FAC/62/ 2016 dated July 5, 2016 as available to listed entities for submission of Ind AS compliant financial results for the previous year ended March 31, 2018 and hence has provided Ind AS compliant financial results only for the previous quarter and nine months ended December 31, 2017 along with the financial results for the quarters ended December 31, 2018 and September 30, 2018. Further, the Ind AS compliant financial results for the quarter and period ended December 31, 2017 have not been subjected to Limited Review by the Statutory Auditors. However, the management has exercised necessary due diligence to ensure that such financial results provide a true and fair view of its affairs.

4. Reconciliation of Net Profit reported under Previous GAAP and Ind AS for the quarter and nine months ended December 31, 2017 (as per requirements of Para 32 of Ind AS 101) is as under:

Particulars	Quarter ended December 31, 2017 (Rs in Lakhs)	Nine months ended December 31, 2017 (Rs in Lakhs)
Net Profit after tax reported under Previous GAAP	46,364.93	126,887.88
Adjustments increasing / (decreasing) net profit after tax as reported in the previous GAAP:		
Impact on application of Expected Credit Loss method for loan loss provisions and related adjustments as per Ind AS 109	3,289.67	(533.92)
Amortisation of net income under Effective Interest Rate method for financial assets	(186.49)	(512.03)
Amortisation of expenses under Effective Interest Rate method for financial liabilities	(361.84)	1252.46
Net gain on fair valuation of Investments	(32.43)	(0.05)
Reversal of derivative liability recognised on transition	-	590.62
Reclassification of Actuarial Gain/Loss to Other Comprehensive Income	(181.37)	(477.14)
Fair Valuation of Employee Stock Options	(230.69)	(259.99)
Tax adjustments on above items	(794.89)	(20.75)
Net Profit after tax as under Ind AS	47,866.89	126,927.08
Other Comprehensive Income/ Loss (Net of tax)	118.60	312.01
Total Comprehensive Income(after tax) as reported under Ind AS	47,985.49	127,239.09

5. The Company has opted to publish only Standalone financial results, pursuant to option available as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.
6. The company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Ind AS – 108 dealing with Operating Segments.
7. During the quarter ended December 31, 2018, the company has allotted 371,510 shares under the 'Muthoot ESOP 2013 Scheme '. The company has not granted any options during the quarter.
8. The Company has maintained requisite full asset cover by way of mortgage of immovable property and paripassu floating charge on current assets, book debts and loans & advances of the Company on its Secured Listed Non- Convertible Debentures aggregating to Rs. 731,201.96 lakhs as at December 31, 2018.

9. During the quarter ended December 31, 2018, the company subscribed to 4,527,755 equity shares of Rs 10/- each at a premium of Rs. 146.77 per share of its subsidiary, Belstar Investment and Finance Private Limited for a total consideration of Rs. 7,098.16 lakhs taking its shareholding to 70.01%.
10. During the quarter ended December 31, 2018, the company acquired, by acquiring 5,625 equity shares of face value Rs 1,000/- each at a price of Rs.17,685/- per share aggregating to Rs. 994.78 Lakhs from existing shareholders of Muthoot Money Private Limited, thus making it a wholly owned subsidiary. It also subscribed to 56,545 fresh equity shares of face value of Rs. 1,000 each at Rs. 17,685/- per share aggregating to Rs. 9,999.98 Lakhs.

For and on behalf of the Board of Directors

Sd/-

Kochi
February 06, 2019

George Alexander Muthoot
Managing Director
DIN- : 00016787