



## JM FINANCIAL CREDIT SOLUTIONS LIMITED

JM Financial Credit Solutions Limited (our "Company") was originally incorporated at Mumbai, Maharashtra on May 15, 1980, as a public limited company, under the provisions of the Companies Act, 1956 with registration number 22644 of 1980, with the name "FICS Consultancy Services Limited". Our Company also received a certificate for commencement of business on May 24, 1980. Subsequently, by way of a fresh certificate of incorporation dated March 04, 2015 issued by the Registrar of Companies, Mumbai, Maharashtra, our Company's name was changed to "JM Financial Credit Solutions Limited". Our Company has obtained a certificate of registration dated August 27, 2003 bearing registration no. B-13.01681 issued by the Reserve Bank of India ("RBI") to carry on the activities of a non-banking financial company without accepting public deposits under Section 45 IA of the RBI Act, 1934. Our Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC). For further details regarding changes to the name and registered office of our Company, see section titled "History and Main Objects" on page 99 of the Shelf Prospectus.

**Corporate Identity Number** of our Company is U7140MH1980PLC022644

**Registered and Corporate Office:** 7<sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025, Maharashtra, India  
**Tel:** (+91 022) 6630 3030; **Fax:** (+91 022) 6630 3223; **Website:** www.jmfinancialcreditsolutions.com; **Email:** investorrelations.cs@jmfl.com

**Company Secretary and Compliance Officer:** Mr. Hemant Pandya; **Tel:** (+91 22) 6630 3030; **Fax:** (+91 22) 6630 3223; **Email:** hemant.pandya@jmfl.com

**PUBLIC ISSUE BY JM FINANCIAL CREDIT SOLUTIONS LIMITED, ("COMPANY") OR THE "ISSUER" BY WAY OF THIS TRANCHE II ISSUE OF SECURED, RATED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE ₹ 1,000 EACH ("SECURED NCDs") WITH A BASE ISSUE SIZE OF ₹ 2,500 MILLION WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO ₹ 10,000 MILLION, AGGREGATING UP TO ₹ 12,500 MILLION ("RESIDUAL SHELF LIMIT") ("TRANCHE II ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF ₹ 20,000 MILLION.**

**THIS TRANCHE II ISSUE IS BEING MADE PURSUANT TO THE TERMS AND CONDITIONS OF THIS TRANCHE PROSPECTUS ("TRANCHE II PROSPECTUS"), WHICH SHOULD BE READ TOGETHER WITH THE SHELF PROSPECTUS DATED MAY 16, 2018 ("SHELF PROSPECTUS") FILED WITH THE REGISTRAR OF COMPANIES, MAHARASHTRA, MUMBAI ("ROC"), THE DESIGNATED STOCK EXCHANGE AND THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") UNDER THE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 AS AMENDED (THE "SEBI DEBT REGULATIONS") AND THE COMPANIES ACT, 2013 AND RULES MADE THEREUNDER AS AMENDED TO THE EXTENT NOTIFIED. THE TRANCHE II ISSUE IS A PART OF THE PUBLIC ISSUE BY THE ISSUER OF SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH AND UNSECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF ₹ 1,000 EACH, ("NCDs") FOR AN AMOUNT AGGREGATING UPTO ₹ 20,000 MILLION ("SHELF LIMIT"). THE SHELF PROSPECTUS AND THIS TRANCHE II PROSPECTUS CONSTITUTE THE PROSPECTUS ("PROSPECTUS").**

### PROMOTER

Our Promoter is JM Financial Limited. For further details refer to the chapter "Our Promoter" on page 110 of the Shelf Prospectus.

### GENERAL RISK

Investors are advised to read the Risk Factors carefully before taking an investment decision in the Issue. For taking an investment decision, the investors must rely on their own examination of the Issuer and the Tranche II Issue including the risks involved. Specific attention of the investors is invited to the section titled "Risk Factors" on page 13 of the Shelf Prospectus and "Material Developments" on page 131 of the Shelf Prospectus and on page 26 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 Maharashtra ("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 have been rated [ICRA] AA/Stable by ICRA for an amount of upto ₹ 20,000 million vide its letter dated April 27, 2018 and further revaluated on November 1, 2018, and have been rated IND AA/Stable by India Ratings for an amount upto ₹ 20,000 million vide its letter dated April 27, 2018 which has been revaluated on November 1, 2018. The rating of the NCDs by ICRA and India Ratings indicates high degree of safety regarding timely servicing of financial obligations. The rating provided by ICRA and India Ratings 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 Annexures A and B of this Tranche II Prospectus for rating letters and rationale for the above ratings.

### PUBLIC COMMENTS

The Draft Shelf Prospectus dated May 04, 2018 was filed with the BSE Limited ("BSE") pursuant to the provisions of the SEBI Debt Regulations and was open for public comments for a period of 7 (seven) Working Days from the date of filing of the Draft Shelf Prospectus with the Designated Stock Exchange until 5:00 p.m. on May 11, 2018.

### LISTING

The Secured NCDs offered through this Tranche II Prospectus are proposed to be listed on the BSE. For the purposes of the 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/3/18-19 dated May 11, 2018.

### 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 Secured NCDs, see section titled "General Terms of the Issue" starting on page 89 of this Tranche II Prospectus. For details relating to eligible investors please see "The Issue" on page 69 of this Tranche II Prospectus.

### LEAD MANAGERS TO THE ISSUE

### REGISTRAR TO THE ISSUE

### DEBENTURE TRUSTEE\*\*



**A. K. Capital Services Limited**  
30-39, Free Press House  
3<sup>rd</sup> Floor, Free Press Journal Marg  
215, Nariman Point, Mumbai 400 021  
**Tel:** (+91 22) 6754 6500  
**Fax:** (+91 22) 6610 0594  
**Email:** jmfcs2018@akgroup.co.in  
**Investor Grievance Email:**  
investor.grievance@akgroup.co.in  
**Website:** www.akgroup.co.in  
**Contact Person:** Ms. Shilpa Pandey /  
Mr. Krish Sanghvi  
**Compliance Officer:** Mr. Tejas  
Davda  
**SEBI Registration No.:**  
INM000010411



**JM Financial Limited\*\*\***  
7<sup>th</sup> Floor, Cnergy  
Appasaheb Marathe Marg  
Prabhadevi, Mumbai - 400 025  
**Tel:** (+91 22) 6630 3030  
**Fax:** (+91 22) 6630 3330  
**Email:** jmfcsnkd2018@jmfl.com  
**Investor Grievance Email:**  
grievance.ibd@jmfl.com  
**Website:** www.jmfl.com  
**Contact Person:** Ms. Prachee  
Dhuri  
**Compliance Officer:** Mr. Sunny  
Shah  
**SEBI Registration No.:**  
INM000010361



**Edelweiss Financial Services Limited**  
Edelweiss House, Off CST  
Road Kalina, Mumbai 400 098  
**Tel:** (+91 22) 4086 3535  
**Fax:** (+91 22) 4086 3610  
**Email:**  
Jmfcs.lncd@edelweissfin.com  
**Investor Grievance Email:**  
customerservice.mb@edelweiss  
sfin.com  
**Website:**  
www.edelweissfin.com  
**Contact Person:** Mr. Lokesh  
Singhi / Mr. Mandeep Singh  
**Compliance Officer:** Mr. B.  
Renganathan  
**SEBI Registration No.:**  
INM0000010650



**Trust Investment Advisors Private Limited**  
109/110, Balarama, Bandra  
Kurla Complex, Bandra (E),  
Mumbai 400 051  
**Tel:** (+91 22) 4084 5000  
**Fax:** (+91 22) 4084 5007  
**Email:**  
mbd.trust@trustgroup.in  
**Investor Grievance Email:**  
customercare@trustgroup.in  
**Website:** www.trustgroup.in  
**Contact Person:** Mr. Vikram  
Thirani  
**Compliance Officer:**  
Mr. Ankur Jain  
**SEBI Registration No.:**  
INM000011120



**Karvy Computershare Private Limited**  
Karvy Selenium Tower B, Plot  
31-32, Gachibowli Financial  
District, Nanakramguda,  
Hyderabad 500 032  
**Tel:** (+91 40) 6716 2222  
**Fax:** (+91 40) 2343 1551  
**Email:** jmfcs.ncd@karvy.com  
**Investor Grievance Email:**  
einward.ris@karvy.com  
**Website:**  
www.karisma.karvy.com  
**Contact Person:** Mr. Murali  
Krishna  
**Compliance Officer:** Mr. Rakesh  
Santhalia  
**SEBI Registration No.:**  
INR000000221



**IDBI Trusteeship Services Limited\*\***  
Asian Building, Ground Floor,  
17, R. Kamani Marg, Ballard  
Estate,  
Mumbai 400 001  
**Tel:** (+91 22) 4080 7000  
**Fax:** (+91 22) 6631 1776  
**Email:** itsl@idbitrustee.com  
**Investor Grievance Email:**  
response@idbitrustee.com  
**Website:** www.idbitrustee.com  
**Contact Person:** Ms. Swapnali  
Hirlekar  
**SEBI Registration No.:**  
IND000000460

## ISSUE PROGRAMME\*

### TRANCHE II ISSUE OPENS ON NOVEMBER 20, 2018

### TRANCHE II ISSUE CLOSES ON DECEMBER 20, 2018

\*This Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that this Tranche 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 the NCD Public Issue Committee. In the event of such an early closure 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 reputed 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. to 5:00 p.m. or such extended time as may be permitted by BSE, on Working Days during the 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. 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 November 09, 2018 given its consent for its appointment as Debenture Trustee to the Tranche II Issue and for its name to be included in the Tranche II Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Tranche II Issue.

\*\*\*In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, JM Financial Limited will be involved only in marketing of the Issue.

A copy of the Shelf Prospectus was filed with the Registrar of Companies, Maharashtra in Mumbai, in terms of Section 26 and 31 of the Companies Act, 2013, along with the endorsed/certified copies of all requisite documents on May 16, 2018 and a copy of this Tranche II Prospectus shall be filed with the Registrar of Companies, Maharashtra in Mumbai, 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 142 of this Tranche II Prospectus.

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## SECTION I: GENERAL

### DEFINITIONS / ABBREVIATIONS

#### Company related terms

Term	Description
“We”, “us”, “our”, “the Company”, “our Company” and “Issuer”	JM Financial Credit Solutions Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at 7 <sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India.
AOA/Articles of Association	Articles of Association of our Company, as amended from time to time.
Board / Board of Directors	The Board of Directors of our Company and includes any Committee constituted thereof, from time to time.
CCPS	Compulsorily Convertible Preference Shares of face value ₹ 10 of our Company.
Equity Shares	Equity shares of face value ₹ 10 each of our Company.
KMP/Key Managerial Personnel	Key Managerial Personnel, as defined under the Companies Act, 2013, Section 2(51) as under:  <i>“key managerial personnel”, in relation to a company, means -</i> <i>i. the Chief Executive Officer or the managing director or the</i> <i>ii. manager;</i> <i>iii. the company secretary;</i> <i>iv. the whole-time director;</i> <i>v. the Chief Financial Officer; and</i> <i>vi. such other officer not more than one level below the directors who is in whole-time employment designed as key managerial personnel by the Board; and such other officer as may be prescribed;”</i>
Memorandum / MOA	Memorandum of Association of our Company, as amended from time to time.
NBFC	Non-Banking Financial Company as defined under Section 45-IA of the RBI Act, 1934.
NCD Public Issue Committee	The Committee constituted by our Board of Directors vide board resolution dated April 30, 2018.
Promoter	JM Financial Limited
Reformatted Summary Financial Statements	The reformatted summary statement of assets and liabilities of our Company as of March 31, 2018, 2017, 2016, 2015 and 2014 and the related reformatted summary statement of profit and loss and reformatted cash flow statement for each of the said 5 years for the years ended March 31, 2018, 2017, 2016, 2015 and 2014 (collectively, together with the annexures thereto, the <b>"Reformatted Summary Financial Statements"</b> ) as examined by our Company's Statutory Auditors, Deloitte Haskins & Sells LLP Mumbai.  The Audited Financial Statements and Statutory Auditors reports thereon form the basis of the Reformatted Summary Financial Statements. For further details, please see <i>"Financial Information"</i> on page 146 of this Tranche II Prospectus.
ROC	The Registrar of Companies, Maharashtra, Mumbai
₹/ Rs./ INR/ Rupees	The lawful currency of the Republic of India.
Statutory Auditors	The auditors of the Company, Deloitte Haskins & Sells LLP Mumbai, Indiabulls Finance Centre, Tower 3, 31 <sup>st</sup> Floor, Senapati Bapat Marg, Elphinstone Road (west), Mumbai 400 013, Maharashtra, India.
Unaudited Interim Financial Information	The limited reviewed financial statements of our Company for the six months period ended September 30, 2018 prepared in accordance with Ind AS and Regulation 52 of the SEBI LODR Regulations and subjected to limited review by Deloitte Haskins & Sells LLP Mumbai.

#### Issue related terms

Term	Description
Abridged Prospectus	A memorandum containing salient features of the Shelf Prospectus and this 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 Secured NCDs pursuant to the Issue to the Allottees.
Allottee(s)	The successful applicant to whom the Secured NCDs are being/have been allotted.

Term	Description
Applicant / Investor	The person who applies for issuance and Allotment of Secured NCDs pursuant to the terms of the Shelf Prospectus, this Tranche II Prospectus and Abridged Prospectus and the Application Form for this Tranche II Issue.
Application / ASBA Application	An application for Allotment of Secured NCDs 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 Secured NCDs applied for, as indicated in the Application Form for this Tranche II Prospectus.
Application Form / ASBA Form	The form in terms of which the Applicant shall make an offer to subscribe to the Secured NCDs through the ASBA process, in terms of the Shelf Prospectus and this Tranche II Prospectus.
ASBA or “Application Supported by Blocked Amount”	The Application in terms of which the Applicant shall make an Application by authorising SCSB to block the Application Amount in the specified bank account maintained with such SCSB.
ASBA Account	An account maintained with an SCSB which will be blocked by such SCSB to the extent of the Application Amount of an Applicant.
Base Issue	₹ 2,500 million.
Basis of Allotment	The basis on which Secured 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 126 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 <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a>
Category I Investor	<ul style="list-style-type: none"> <li>Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;</li> <li>Provident funds and pension funds with a minimum corpus of ₹ 250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;</li> <li>Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;</li> <li>Resident Venture Capital Funds registered with SEBI;</li> <li>Insurance companies registered with the IRDA;</li> <li>State industrial development corporations;</li> <li>Insurance funds set up and managed by the army, navy, or air force of the Union of India;</li> <li>Insurance funds set up and managed by the Department of Posts, the Union of India;</li> <li>Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements;</li> <li>National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and</li> <li>Mutual funds registered with SEBI.</li> </ul>
Category II Investor	<ul style="list-style-type: none"> <li>Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;</li> <li>Co-operative banks and regional rural banks;</li> <li>Trusts including Public/private charitable/religious trusts which are authorised to invest in the NCDs;</li> <li>Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;</li> <li>Partnership firms in the name of the partners;</li> <li>Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009);</li> <li>Association of Persons; and</li> <li>Any other incorporated and/ or unincorporated body of persons.</li> </ul>
Category III Investor	High Net-worth Individual Investors (“HNIs”) - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating to above ₹ 1,000,000 across all Options/Series of NCDs in the Issue.
Category IV Investor	Retail Individual Investors - Resident Indian individuals and Hindu Undivided Families through the Karta applying for an amount aggregating up to and including ₹1,000,000 across all Options/Series of NCDs in the Issue.
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 Issue, at the Designated CDP Locations.
Credit Rating	For the present Issue, the credit rating agencies being, ICRA and India Ratings.



Term	Description
Agencies	
Coupon Rate / Interest Rate	The aggregate rate of interest payable in connection with the Secured NCDs in accordance with the Shelf Prospectus and this Tranche II Prospectus. For further details, please refer to “ <i>Issue Related Information</i> ” on page 89 of this Tranche II Prospectus.
Debt Application Circular	Circular no. CIR/IMD/DF-1/20/2012 issued by SEBI on July 27, 2012.
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 Trust Deed	The trust deed dated June 05, 2018 executed by our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Issue and to protect the interest of NCD Holders under the 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 Allotment Committee of the Board approves the Allotment of the Secured NCDs for the Tranche II Issue or such date as may be determined by the Board of Directors or the NCD Public Issue Committee and notified to the Designated Stock Exchange. The actual Allotment of Secured NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Secured NCDs including interest on Secured 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 Applications and a list of which is available on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Designated CDP Locations	Such locations of the CDPs where Applicants can submit the Application Forms, a list of which, along with names and contact details of the Collecting Depository Participants eligible to accept Application Forms are available on the websites of the Stock Exchange at <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Date	The date on which the Registrar to the Issue issues instruction to SCSBs for transfer of funds from the ASBA Accounts to the Public Issue Account in terms of the Shelf Prospectus, this Tranche II Prospectus and the Public Issue Account Agreement.
Designated Intermediaries	The Members of the Syndicate, SCSBs, Trading Members, RTAs and CDPs who are authorized to collect Application Forms from the Applicants, in relation to the Issue.
Designated RTA Locations	Such locations of the RTAs where Applicants can submit the Application Forms to RTAs, a list of which, along with names and contact details of the RTAs eligible to accept Application Forms are available on the website of the Stock Exchange at <a href="http://www.bseindia.com">www.bseindia.com</a>
Designated Stock Exchange	BSE i.e. BSE Limited
Draft Shelf Prospectus	The Draft Shelf Prospectus dated May 04, 2018 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.
Edelweiss	Edelweiss Financial Services Limited.
ICRA	ICRA Limited
India Ratings	India Ratings and Research Private Limited
Interest Payment Date / Coupon Payment Date	The dates on which interest/coupon on the Secured NCDs shall fall due for payment as specified in this Tranche II Prospectus. Please see the section titled “ <i>Terms of the Issue – Interest and Payment of Interest</i> ” on page 101 of this Tranche II Prospectus.
Issue	Public issue by the Company of secured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each and unsecured, rated, listed, redeemable, non-convertible debentures of face value of ₹ 1,000 each, for an amount aggregating upto ₹ 20,000 million. The unsecured, rated, listed, redeemable, non-convertible debentures will be in the nature of subordinated debt and will be eligible for inclusion as Tier II capital.
Issue Agreement	Agreement dated May 04, 2018 and further amended and restated by agreement dated November 09, 2018 entered into by our Company and the Lead Managers.
JMFL or JM Financial	JM Financial Limited
Lead Brokers	(a). Edelweiss Securities Limited (b). A. K. Stockmart Private Limited (c). JM Financial Services Limited (d). Axis Capital Limited (e). HDFC Securities Limited (f). IIFL Securities Limited (g). Integrated Enterprises (India) Private Limited (h). Karvy Stock Broking Limited

Term		Description
		(i). SMC Global Securities Limited (j). Tipsons Stock Brokers Limited (k). ICICI Securities Limited (l). Trust Financial Consultancy Services Private Limited (m). Trust Securities Services Private Limited (n). Kotak Securities Limited
Lead Agreement	Broker	Agreement dated November 09, 2018 entered into amongst our Company, the Lead Managers, and the Lead Brokers in relation to this Tranche II Issue on the terms and conditions contained therein.
Lead Managers		A. K. Capital Services Limited, JM Financial Limited, Edelweiss Financial Services Limited and Trust Investment Advisors Private Limited. In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, JM Financial Limited will be involved only in marketing of the Issue.
Market Lot		1 NCD.
Members of the Syndicate		Lead Managers and the Lead Brokers.
Members of the Syndicate Centres	of the Bidding	Members of the Bidding Centers established for acceptance of Application Forms.
NCDs		The Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each and Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each, for an amount aggregating up to ₹ 20,000 million (" <b>Shelf Limit</b> ") issued pursuant to the Shelf Prospectus and the Tranche Prospectus(es). The Unsecured NCDs shall be in the nature of subordinated debt and shall be eligible for Tier II Capital.
OCB or Overseas Corporate Body		A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% (sixty percent) by NRIs including overseas trusts, in which not less than 60% (sixty percent) of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the FEMA. OCBs are not permitted to invest in the Issue.
Options / Series		An option of Secured NCDs which are identical in all respects including, but not limited to terms and conditions, listing and ISIN and as further stated to be an individual Option in this Tranche II Prospectus.
Offer Document		The Draft Shelf Prospectus, the Shelf Prospectus, this Tranche II Prospectus, the Abridged Prospectus, the Application Form and supplemental information, if any.
Owned fund		Paid up equity capital, preference shares which are compulsorily convertible into equity, free reserves, balance in share premium account and capital reserves representing surplus arising out of sale proceeds of asset, excluding reserves created by revaluation of asset, as reduced by accumulated loss balance, book value of intangible assets and deferred revenue expenditure, if any
Public Issue Account		Bank account opened with the Public Issue Account Bank by our Company under Section 40 of the Companies Act, 2013 and where the funds shall be transferred by the SCSBs from the ASBA Accounts.
Public Issue Account Agreement		Agreement dated November 09, 2018 entered into amongst our Company, the Registrar, the Public Issue Account Bank, the Lead Managers, and the Refund Bank for blocking the Application Amounts in the ASBA Accounts, un-blocking the Application Amounts in the ASBA Accounts for the purposes of Allotment or refunds to the Applicants in relation to this Tranche II Issue on the terms and conditions contained therein.
Public Issue Account Banks		HDFC Bank Limited and Axis Bank Limited.
Record Date		The date for payment of interest in connection with the Secured 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 or a date notified by the Company to the Stock Exchange, will be deemed as the Record Date.
Redemption/Maturity Amount		The Amount repayable on the Secured NCDs, as specified in the section " <i>Issue Structure - Terms and Conditions in connection with the Secured NCDs</i> " on page 96 of this Tranche II Prospectus.
Redemption Date		The date on which our Company is liable to redeem the Secured NCDs in full as specified in the section " <i>Issue Structure - Terms and Conditions in connection with the Secured NCDs</i> " on page 96 of this Tranche II Prospectus.
Refund Bank		HDFC Bank Limited.
Refund Account		Account opened with the Refund Bank from which refunds, if any, of the whole or any part of the Application Amount shall be made.
Register of Debenture holder	of	A register of Debenture holders maintained by the Issuer in accordance with the provisions of the Companies Act, 2013 and as more particularly detailed in the section title " <i>General Terms of the Issue</i> " on page 89 of this Tranche II Prospectus.

Term	Description
Registrar to the Issue	Karvy Computershare Private Limited
Registrar and Share Transfer Agents or RTA	Registrar and share transfer agents registered with SEBI and eligible to procure Applications, at the Issue at the Designated RTA Locations.
Registrar Agreement	Agreement dated May 04, 2018 and further amended and restated by agreement dated November 09, 2018 entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Security	As specified disclosed in the chapter “ <i>Issue Structure</i> ” on page 95 of this Tranche II Prospectus and detailed in the Debenture Trust Deed.
Secured Debenture Holder (s) / Secured NCD Holder(s)	The holders of the Secured NCDs whose name appears in the database of the relevant Depository.
SEBI Debt Regulations	SEBI (Issue and Listing of Debt Securities) Regulations, 2008, issued by SEBI, effective from June 06, 2008 as amended from time to time.
Secured NCDs	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value ₹ 1,000 each for an amount up to ₹ 2,500 million, with an option for the Company to retain oversubscription up to ₹ 10,000 million, aggregating up to ₹ 12,500 million which is within the Shelf Limit, being offered through this Tranche II Prospectus.
Self Certified Syndicate Banks or SCSBs	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account, a list of which is available on <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
Shelf Limit	The aggregate limit of the Issue, being ₹ 20,000 million to be issued under the Shelf Prospectus through one or more Tranche Issues.
Shelf Prospectus	The Shelf Prospectus dated May 16, 2018 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 <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time
Stock exchange	BSE
Subordinated Debt	Subordinated Debt means a fully paid up instrument, which is unsecured and is subordinated to the claims of other creditors and is free from restrictive clauses and is not redeemable at the instance of the holder or without the consent of the supervisory authority of a non-banking financial company. The book value of such instrument shall be subjected to discounting as provided hereunder:
<p>Remaining maturity of the instruments and rate of discount:</p> <ul style="list-style-type: none"> <li>• up to one year 100%;</li> <li>• more than one year but up to two years 80%;</li> <li>• more than two years but up to three years 60%;</li> <li>• more than three years but up to four years 40%; and</li> <li>• more than four years but up to five years 20%</li> </ul> <p>to the extent such discounted value does not exceed fifty per cent of Tier I capital.</p>	
Syndicate	Syndicate shall mean the brokers and sub-brokers appointed in relation to the Issue.
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 <a href="https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> and updated from time to time and at such other websites as may be prescribed by SEBI from time to time.
Syndicate SCSB Branches	In relation to Applications submitted to a Designated Intermediary, such branches of the SCSBs at the Syndicate 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 <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time.
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, 10% of the Owned fund and perpetual debt instruments issued by a non-deposit taking NBFC in each year to the extent it does not exceed 15% of the aggregate Tier I Capital of such company as on March 31 of the previous accounting year.
Tier II capital	Tier-II capital includes the following: (a) preference shares other than those which are compulsorily convertible into equity; (b) revaluation reserves at discounted rate of 55%; (c) general provisions (including that for standard assets) and loss reserves to the extent these are not attributable to actual

Term	Description
	diminution in value or identifiable potential loss in any specific asset and are available to meet unexpected losses, to the extent of one and one fourth percent of risk weighted assets; (d) hybrid debt capital instruments; (e) subordinated debt; and (f) perpetual debt instruments issued by a non-deposit taking non-banking financial company which is in excess of what qualifies for Tier I Capital, to the extent it does not exceed Tier-I Capital.
Tranche II Issue Opening Date	November 20, 2018
Tranche II Issue Closing Date	December 20, 2018* *The Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m. during the period indicated above, except that the Tranche II Issue may close on such earlier date or extended date as may be decided by the Board or the NCD Public Issue Committee. In the event of an early closure or extension of the Tranche II Issue, our Company shall ensure that notice of the same is provided to the prospective investors through an advertisement in a daily national newspaper with wide circulation on or before such earlier or initial date of Tranche II Issue closure. On the Tranche II Issue Closing Date, the Application Forms for Tranche II Issue will be accepted only between 10:00 a.m. and 3:00 p.m. (Indian Standard Time) and uploaded until 5:00 p.m. or such extended time as may be permitted by the Stock Exchanges.
Tranche II Issue Period	The period between the Tranche II Issue Opening Date and the Tranche II Issue Closing Date inclusive of both days.
Transaction Documents	Transaction Documents shall mean, the Issue Agreement dated May 4, 2018 and further amended and restated by agreement dated November 09, 2018 between our Company and the Lead Managers, the Registrar Agreement dated May 04, 2018 and further amended and restated by agreement dated November 09, 2018 with the Registrar to the Issue, the Public Issue Account Agreement dated November 09, 2018 with the Public Issue Account Bank, the Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated November 09, 2018 with the Lead Brokers and Lead Managers, the Debenture Trustee Agreement dated May 04, 2018 executed between our Company and the Debenture Trustee and the Debenture Trust Deed dated June 05, 2018 executed between our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Issue and to protect the interest of NCD Holders under the Issue.
Transaction Registration Slip or TRS	The acknowledgment 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 for the Secured NCDs.
Tenor	Tenor shall mean the tenor of the Secured NCDs. Please refer to the “ <i>Issue Structure - Terms and Conditions in connection with the Secured NCDs</i> ” on page 96 of this Tranche II Prospectus.
Trading Members	Intermediaries registered with a Lead Broker or a sub-broker under the SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 and/or with the Stock Exchanges under the applicable byelaws, rules, regulations, guidelines, circulars issued by Stock Exchanges from time to time and duly registered with the Stock Exchanges for collection and electronic upload of Application Forms on the electronic application platform provided by Stock Exchanges.
Tranche Issue	Issue of the NCDs pursuant to the respective Tranche Prospectus(es).
Tranche II Issue	Issue of the Secured NCDs pursuant to this Tranche II Prospectus.
Tranche Prospectus(es)	The Tranche Prospectus(es) containing the details of NCDs including interest, other terms and conditions, recent developments, general information, objects, procedure for application, statement of tax benefits, regulatory and statutory disclosures and material contracts, documents for inspection and other terms and conditions in respect of the relevant Tranche Issue.
Tranche Prospectus	This Tranche Prospectus dated November 12, 2018 containing the details of the Secured NCDs issued pursuant to the Tranche II Issue.
Trustees / Debenture Trustee	Trustees for the Debenture Holders in this case being IDBI Trusteeship Services Limited appointed by the Board of Directors or the NCD Public Issue Committee of our Company.
Tripartite Agreements	Tripartite agreement dated July 29, 2016 among our Company, the Registrar and CDSL and tripartite agreement dated July 27, 2016 among our Company, the Registrar and NSDL
Working Day	Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche II Issue Closing Date to listing of the NCDs, Working Days shall mean all trading days of Stock Exchanges excluding Sundays, bank holiday in Mumbai.

#### Industry related terms

Term	Description
NBFC	Non Banking Financial Company.
NBFC-ND	Non Banking Financial Company- Non Deposit Taking.
NBFC-ND-SI	Non Banking Financial Company- Non Deposit Taking-Systemically Important.

Term	Description
NPA	Non Performing Asset.
NRI/Non-Resident	A person resident outside India, as defined under the FEMA.
NSSO	National Sample Survey Organisation.
PPP	Purchasing Power Parity.
RRB	Regional Rural Bank.
SCB	Scheduled Commercial Banks.

### Conventional and general terms

Term	Description
AGM	Annual General Meeting.
AS	Accounting Standard.
BSE	BSE Limited.
CAGR	Compounded Annual Growth Rate.
CDSL	Central Depository Services (India) Limited.
Companies Act, 1956	The erstwhile Companies Act, 1956, applicable prior to the commencement of the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent notified by the Ministry of Corporate Affairs, Government of India and as amended from time to time.
DRR	Debenture Redemption Reserve.
EGM	Extraordinary General Meeting.
EPS	Earnings Per Share.
FDI Policy	The Government policy and the regulations (including the applicable provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000) issued by the Government of India prevailing on that date in relation to foreign investments in the Company's sector of business as amended from time to time.
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.
Fiscal / Financial Year / FY	Financial Year ending March 31.
GDP	Gross Domestic Product.
GoI	Government of India.
HUF	Hindu Undivided Family.
IFRS	International Financial Reporting Standards.
IFSC	Indian Financial System Code.
IND AS	Accounting Standard notified under the Companies (Accounting Standards) Rules, 2006, as amended.
Indian GAAP	Generally Accepted Accounting Principles in India.
IRDA	Insurance Regulatory and Development Authority.
IT Act	The Income Tax Act, 1961, as amended from time to time.
MCA	Ministry of Corporate Affairs, Government of India.
MICR	Magnetic Ink Character Recognition.
NACH	National Automated Clearing House.
NEFT	National Electronic Funds Transfer.
NSDL	National Securities Depository Limited.
NSE	National Stock Exchange of India 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.
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended from time to time.
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992.
SEBI Regulations	Debt Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended.
SEBI Act	The Securities and Exchange Board of India Act, 1992 as amended from time to time.
SEBI Regulations	LODR Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
TDS	Tax Deducted at Source.
WDM	Wholesale Debt Market.

Notwithstanding anything contained herein, capitalised terms that have been defined in the sections titled “*Statement of Tax Benefits*”, “*Other Regulatory and Statutory Disclosures*” and “*Issue Procedure*” beginning on pages 77, 132 and 111 of this Tranche II Prospectus, respectively will have the meanings ascribed to them in such sections.

## FORWARD-LOOKING STATEMENTS

Certain statements contained in this Tranche II Prospectus that are not statements of historical fact constitute “forward-looking statements”. Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “could”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “shall”, “seek”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in the Shelf Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results, including our financial conditions and results of operations to differ from our expectations include, but are not limited to, the following:

- our ability to manage credit quality of our portfolio;
- our Company’s ability to compete effectively and access funds at competitive cost;
- our ability to successfully implement our strategy, growth and expansion plans;
- our Company’s ability to successfully recover the outstanding advances or proper management of NPA;
- our ability to comply with certain specific conditions prescribed by the GoI in relation to our business;
- changes in laws and regulations applicable to companies in India;
- defaults by end customers resulting in an increase in the level of non-performing assets in its portfolio;
- downward revision in credit rating(s);
- the outcome of any legal or regulatory proceedings we are or may become a party to;
- changes in domestic or international interest rates and liquidity conditions;
- general, political, economic, social and business conditions in Indian and other global markets;
- performance of the Indian debt and equity markets;
- changes in government regulations;
- effectiveness and accuracy of internal controls and procedures;
- we have incurred significant indebtedness and may incur substantial additional borrowings in connection with our business;
- risks from economic, regulatory and other changes in the Mumbai Metropolitan Region;
- failure to hold or, to prove that we hold, good title to real estate assets, or failure to obtain title insurance guaranteeing title;
- our ability to compete with and adapt to technological advances;
- turndown in the real estate market.

For further discussion of factors that could cause our actual results to differ, see the section titled “*Risk Factors*” on page 13 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*”, “*Our Business*” and “*Legal and Other Information*” on pages 67, 83 and 174 respectively 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 the Lead Managers have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In

accordance with SEBI Debt Regulations, 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 the Tranche II Prospectus with the ROC and the date of receipt of listing and trading permission being obtained from the Stock Exchanges.



## **PRESENTATION OF FINANCIAL AND OTHER INFORMATION**

### ***General***

In this Tranche II Prospectus, unless the context otherwise indicates or implies, references to "you", "offeree", "purchaser", "subscriber", "recipient", "investors" and "potential investor" are to the prospective investors in this Offering, references to our "Company", the "Company" or the "Issuer" are to JM Financial Credit Solutions Limited.

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

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

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 "fiscal" or "fiscal year" are to the fiscal year ended 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, in millions. Our Company's financial statements are prepared in accordance with Indian GAAP and the Companies Act, 2013, to the extent applicable. Our Company's financial statements for the year ended March 31, 2018, March 31, 2017, March 31, 2016 and March 31, 2015 have been prepared in accordance with Indian GAAP including the Accounting Standards notified under the Companies Act, 2013 read with General Circular 8/2014 dated April 4, 2014 and for the year ended March 31, 2014 is prepared in accordance with the generally accepted principles in India and as per the provisions of the Companies Act, 1956 and the accounting principles generally accepted in India and comply with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) to the extent applicable.

In accordance with the roadmap on implementation of Indian Accounting Standards, our Company has adopted Ind AS as the applicable accounting standard from April 01, 2018. The Unaudited Interim Financial Information included in this Tranche II Prospectus have been prepared in accordance with Ind AS and Regulation 52 of the SEBI LODR Regulations. Due to the transition from Indian GAAP to Ind AS from April 01, 2018, figures prior to March 31, 2018 are not comparable with the figures post April 01, 2018. Similarly, the figures in the Reformatted Summary Financial Statements upto March 31, 2018 due to implementation of the Ind AS are not comparable with the figures post April 01, 2018.

The Reformatted Summary Financial Statements are included in the Shelf Prospectus and this Tranche II Prospectus. The examination reports on the Reformatted Summary Financial Statements, as issued by our Company's Statutory Auditors, Deloitte Haskins & Sells LLP, are included in the Shelf Prospectus and this Tranche II Prospectus in the section titled "*Financial Information*" beginning at page 207 and 146, respectively.

### ***Industry and Market Data***

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

Unless stated otherwise, all industry and market data used throughout the Shelf Prospectus and this Tranche II Prospectus have been obtained from industry publications and certain public sources. Industry publications generally state that the information contained in those publications have been obtained from sources believed to be reliable, but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Company believes that the industry and market data used in the Shelf Prospectus and this Tranche II

Prospectus is reliable, it has not been verified by us or any independent sources. Further, the extent to which the market and industry data presented in the Shelf Prospectus and this Tranche II Prospectus is meaningful depends on the readers' familiarity with and understanding of methodologies used in compiling such data.

## SECTION II: INTRODUCTION

### GENERAL INFORMATION

Our Company was originally incorporated at Mumbai, Maharashtra on May 15, 1980, as a public limited company, under the provisions of the Companies Act, 1956 with registration number 22644 of 1980, with the name "FICS Consultancy Services Limited". Our Company also received a certificate for commencement of business on May 24, 1980. Subsequently, by way of a fresh certificate of incorporation dated March 04, 2015 issued by the Registrar of Companies, Mumbai, Maharashtra, our Company's name was changed to "JM Financial Credit Solutions Limited". Our Company has obtained a certificate of registration dated August 27, 2003 bearing registration no. B-13.01681 issued by the RBI to carry on the activities of a non-banking financial company without accepting public deposits under Section 45 IA of the RBI Act, 1934. Our Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI). For further details regarding the Promoter please refer to "*Our Promoters*" at page 110 of the Shelf Prospectus. For further details regarding changes to the name and registered office of our Company, see section titled "*History and Main Objects*" on page 99 of the Shelf Prospectus.

The equity shares of our Company were previously listed on BSE. With effect from April 18, 2013, the trading of equity shares of the Company was discontinued, pursuant to the Company having complied with the formalities for voluntary delisting of its equity shares under the SEBI (Delisting of Equity Shares) Regulations, 2009.

#### Registered and Corporate Office

##### ***JM Financial Credit Solutions Limited***

7<sup>th</sup> Floor, Cnergy  
Appasaheb Marathe Marg, Prabhadevi  
Mumbai  
Maharashtra 400 025, India  
Tel: (+91 22) 6630 3030  
Fax: (+91 22) 6630 3223  
Website: [www.jmfinancialcreditsolutions.com](http://www.jmfinancialcreditsolutions.com)  
Email: [investorrelations.csl@jmfl.com](mailto:investorrelations.csl@jmfl.com)

For details of change in registered office, refer to the section titled "*History and Main Objects*" on page 99 of the Shelf Prospectus.

#### Registration

Registration Number: 22644

Corporate Identity Number: U74140MH1980PLC022644 issued by the Registrar of Companies, Maharashtra, Mumbai.

Certificate of registration bearing number B-13.01681 under Section 45IA of the RBI Act, 1934 from the RBI dated August 27, 2003 to carry on the business of a non-banking financial institution without accepting public deposits.

Legal Entity Identifier number: 2549006BN92R4G13MM66.

#### Chief Financial Officer

Mr. Gagan Kothari  
7<sup>th</sup> Floor, Cnergy  
Appasaheb Marathe Marg Prabhadevi  
Mumbai  
Maharashtra 400 025, India  
Tel: (+91 22) 6630 3030  
Fax: (+91 22) 6630 3223  
Email: [gagan.kothari@jmfl.com](mailto:gagan.kothari@jmfl.com)

## **Company Secretary and Compliance Officer**

Mr. Hemant Pandya  
7<sup>th</sup> Floor, Cnergy  
Appasaheb Marathe Marg, Prabhadevi  
Mumbai  
Maharashtra 400 025, India  
Tel: (+91 22) 6630 3030  
Fax: (+91 22) 6630 3223  
Email: hemant.pandya@jmfl.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 Secured NCDs or refunds, as the case may be.

All grievances relating to this 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 Secured 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 Secured 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 Secured NCDs made through the Online Stock Exchanges Mechanism may be addressed directly to the Designated Stock Exchange.

## **Lead Managers**

### **A. K. CAPITAL SERVICES LIMITED**

30-39, Free Press House,  
3<sup>rd</sup> Floor, Free Press Journal Marg,  
215, Nariman Point,  
Mumbai 400 021  
CIN: L74899MH1993PLC274881  
Tel: (91 22) 6754 6500  
Fax: (91 22) 6610 0594  
Email: jmfcs12018@akgroup.co.in  
Investor Grievance Email: investor.grievance@akgroup.co.in  
Website: www.akgroup.co.in  
Contact Person: Ms. Shilpa Pandey / Mr. Krish Sanghvi  
Compliance Officer: Mr. Tejas Davda  
SEBI Registration No.: INM000010411

### **JM Financial Limited\***

7<sup>th</sup> Floor, Cnergy,  
Appasaheb Marathe Marg, Prabhadevi  
Mumbai – 400 025  
CIN: L67120MH1986PLC038784  
Tel: +91 22 6630 3030  
Fax: +91 22 6630 3220  
Email: jmfcs1ncd2018@jmfl.com  
Investor Grievance Email: grievance.ibd@jmfl.com  
Website: www.jmfl.com  
Contact Person: Ms. Prachee Dhuri  
Compliance Officer: Mr. Sunny Shah  
SEBI Registration No.: INM000010361

*\*In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, JMFL will be involved only in marketing of the Issue.*

**EDELWEISS FINANCIAL SERVICES LIMITED**

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

**TRUST INVESTMENT ADVISORS PRIVATE LIMITED**

109/110, Balarama, Bandra Kurla Complex  
Bandra (E)  
Mumbai – 400051  
CIN: U67190MH2006PTC162464  
Tel: (+91 22) 40845000  
Fax: (+91 22) 40845007  
Email: [mbd.trust@trustgroup.in](mailto:mbd.trust@trustgroup.in)  
Investor Grievance Email: [customercare@trustgroup.in](mailto:customercare@trustgroup.in)  
Website: [www.trustgroup.in](http://www.trustgroup.in)  
Contact Person: Mr. Vikram Thirani  
Compliance Officer: Mr. Ankur Jain  
SEBI Registration No.: INM000011120

**Debenture Trustee****IDBI Trusteeship Services Limited**

Asian Building, Ground Floor  
17 R, Kamani Marg, Ballard Estate  
Mumbai 400 001  
Tel: (+91 22) 4080 7000  
Fax: (91 22) 6631 1776  
Email: [itsl@idbitrustee.com](mailto:itsl@idbitrustee.com)  
Investor Grievance Email: [response@idbitrustee.com](mailto:response@idbitrustee.com)  
Website: [www.idbitrustee.com](http://www.idbitrustee.com)  
Contact Person / Compliance Officer: Ms. Swapnali Hirlekar  
SEBI Registration No.: IND000000460

IDBI Trusteeship Services Limited has, pursuant to regulation 4(4) of SEBI Debt Regulations, by its letter dated November 09, 2018 given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Tranche II Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Issue.

All the rights and remedies of the Debenture Holders under this Tranche II Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Tranche II Issue without having it referred to the Debenture Holders. All investors under this Tranche II Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Tranche II Issue to act as their trustee and for doing such acts and signing such documents to carry out their duty in such capacity. Any payment by our Company to the Debenture Holders/Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company *pro tanto* from any liability to the Debenture Holders. For details on the terms of the Debenture Trust Deed, please refer to the section titled “*Issue Related Information*” on page 89 of this Tranche II Prospectus.

## **Registrar to the Issue**

### **Karvy Computershare Private Limited**

Karvy Selenium Tower B,  
Plot 31-32,  
Gachibowli Financial District  
Nanakramguda  
Hyderabad 500 032  
Tel: (+91 40) 6716 2222  
Fax: (+91 40) 2343 1551  
Email: jmfs.ncd@karvy.com  
Investor Grievance Email: einward.ris@karvy.com  
Website: www.karisma.karvy.com  
Contact Person: Mr. Murali Krishna  
Compliance Officer: Mr. Rakesh Santhalia  
SEBI Registration No.: INR000000221

Karvy Computershare Private Limited has by its letter dated November 09, 2018 given its consent for its appointment as Registrar to the Tranche II Issue and for its name to be included in the Tranche II Prospectus and in all the subsequent periodical communications sent to the holders of the Debentures issued pursuant to this Tranche II Issue.

Applicants or prospective investors may contact the Registrar to the Issue or the Company Secretary & Compliance Officer in case of any pre-Issue or post-Issue related problems, such as demat credit, refunds or transfers, etc. All grievances relating to this 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 Secured NCDs applied for, amount paid on application, Depository Participant ("**DP**") and the collection centre of the relevant members of the Designated Intermediaries appointed in relation to the Issue ("**Syndicate**") where the Application was submitted.

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

All grievances arising out of Applications for the Secured NCDs made through the Online Stock Exchanges Mechanism or through Designated Intermediaries of the Stock Exchanges may be addressed directly to the relevant Stock Exchange.

## **Statutory Auditors**

### ***Deloitte Haskins & Sells LLP***

Indiabulls Finance Centre  
Tower 3, 31<sup>st</sup> Floor  
Senapati Bapat Marg  
Elphinstone Road (west)  
Mumbai 400 013, Maharashtra, India  
Tel: (+91 22) 6185 5270  
Fax: (+91 22) 6185 4601

Deloitte Haskins & Sells LLP has been the statutory auditor of the Company since February 12, 2015 and there has been no change in the statutory auditor of the Company for three years preceding the date of this Tranche II Prospectus.

## **Credit Rating Agencies**

### **ICRA Limited**

'The Millenia' Tower B  
Unit No. 1004, 10<sup>th</sup> Floor  
Level 2 12-14, 1&2  
Murphy Road, Bengaluru 560 008 Telephone: (+91) (080) 4332 6401  
Facsimile: (+91) (080) 4332 6409  
Email: [jayantac@icraindia.com](mailto:jayantac@icraindia.com)  
Contact Person: Jayanta Chatterjee  
Website: [www.icra.in](http://www.icra.in)  
SEBI Registration Number: IN/CRA/008/2015

### **India Ratings and Research Private Limited**

Wockhardt Towers,  
4th Floor  
Bandra Kurla Complex,  
Bandra East,  
Mumbai 4000051  
Telephone: (+91 22) 4000 1700  
Facsimile: (+91 22) 4000 1701  
Email: [shrikant.dev@indiaratings.co.in](mailto:shrikant.dev@indiaratings.co.in)  
Contact Person: Shrikant Dev, Compliance Officer  
Website: [www.indiaratings.co.in](http://www.indiaratings.co.in)  
SEBI Registration Number: IN/CRA/002/1999

## **Credit Rating and Rationale**

The NCDs proposed to be issued under this Tranche II Issue have been rated [ICRA] AA/Stable by ICRA for an amount of upto ₹ 20,000 million vide its letter dated April 27, 2018 and further revalidated on November 1, 2018, and have been rated IND AA/Stable by India Ratings for an amount upto ₹ 20,000 million vide its letter dated April 27, 2018 which has been revalidated November 1, 2018. The rating of the NCDs by ICRA and India Ratings indicates high degree of safety regarding timely servicing of financial obligations. The rating provided by ICRA and India Ratings 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 Annexures A and B of this Tranche II Prospectus for rating letter and rationale for the above rating.

### **Disclaimer clause of 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](http://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."

### **Disclaimer clause of India Ratings**

"All credit ratings assigned by India Ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.indiaratings.co.in/rating-definitions>. In addition, rating definitions and the terms of use of such ratings are available on the agency's public

website [www.indiaratings.co.in](http://www.indiaratings.co.in). Published ratings, criteria, and methodologies are available from this site at all times. India Ratings' code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the code of conduct section of this site."

#### Legal Advisor to the Issue

##### AZB & Partners

AZB House, Peninsula Corporate Park  
Ganpatrao Kadam Marg,  
Lower Parel  
Mumbai 400 013  
Tel: (+91 22) 6639 6880  
Fax: (+91 22) 6639 6888

#### Bankers to the Company

##### Axis Bank Limited

**Address:** Corporate Office Building,  
Bombay Dyeing Mills Compound,  
Pandurang Budhkar Marg, Worli,  
Mumbai 400 025

**Contact Person:** Mr. Sushil Kumar  
**Telephone number:** 022 2425 4745  
**E-mail:** [sushil1.kumar@axisbank.com](mailto:sushil1.kumar@axisbank.com)  
**Website:** [www.axisbank.com](http://www.axisbank.com)

##### Bank of Baroda

**Address:** Corporate Financial Service Branch,  
3<sup>rd</sup> Floor, 10/12, Mumbai Samachar Marg, Fort,  
Mumbai 400 001

**Contact Person:** Mr. Sushant Behera  
**Telephone number:** 022 4340 7315 / 316 / 330  
**E-mail:** [rm2.cfsbal@bankofbaroda.com](mailto:rm2.cfsbal@bankofbaroda.com)  
**Website:** [www.bankofbaroda.co.in](http://www.bankofbaroda.co.in)

##### The Federal Bank Limited

**Address:** Corporate & Institutional Business Department,  
C Wing, 2<sup>nd</sup> Floor, Laxmi Towers, BKC,  
Mumbai 400 051

**Contact Person:** Ms. Shilpi Jain  
**Telephone number:** 022 6174 8613  
**E-mail:** [shilpi.jain@federalbank.co.in](mailto:shilpi.jain@federalbank.co.in)  
**Website:** [www.federalbank.com](http://www.federalbank.com)

##### IDBI Bank

**Address:** Large Corporate Group, 224 A,  
Mittal Court, A wing, Nariman Point,  
Mumbai 400 021

**Contact Person:** Mr. Atul Gupta  
**Telephone number:** 022 6658 8158  
**E-mail:** [gupta.atul@idbi.co.in](mailto:gupta.atul@idbi.co.in)  
**Website:** [www.idbi.com](http://www.idbi.com)

##### Indusind Bank

**Address:** Peninsula Corporate Park,  
Tower A, 4<sup>th</sup> Floor, Unit No. 401&404,  
Ganpat Rao Kadam Marg, Lower Parel,  
Mumbai 400 013

**Contact Person:** Mr. Ravindra Mahar  
**Telephone number:** 022 4368 0407  
**E-mail:** [ravindra.mahar@indusind.com](mailto:ravindra.mahar@indusind.com)  
**Website:** [www.indusind.com](http://www.indusind.com)

##### RBL Bank Limited

**Address:** Financial Institutions Group One,  
Indiabulls Centre, Tower 2B, 6<sup>th</sup> Floor, 841,  
Senapati Bapat Marg, Lower Parel,  
Mumbai 400 013

**Contact Person:** Mr. Aashish Yadav  
**Telephone number:** 022 4302 0944  
**E-mail:** [aashish.yadav@rblbank.com](mailto:aashish.yadav@rblbank.com)  
**Website:** [www.rblbank.com](http://www.rblbank.com)

##### Bajaj Finance Limited (Financial Institution)

**Address:** The Capital, Unit No. 1601,  
16<sup>th</sup> Floor, B Wing, Plot No. C-70,  
G-Block, BKC, Bandra East,  
Mumbai 400 051

**Contact Person:** Mr. Anand Soni  
**Telephone number:** 022 3950 0500  
**E-mail:** [anand.soni@bajajfinserv.in](mailto:anand.soni@bajajfinserv.in)  
**Website:** [www.bajajfinserv.in](http://www.bajajfinserv.in)

##### Canara Bank

**Address:** Specialised Mid Corporate Branch,  
Canara Bank Building, BKC,  
Mumbai 400 051

**Contact Person:** Mr. K. Balakrishna  
**Telephone number:** 022 2653 5731  
**E-mail:** [balakrishnak@canarabank.com](mailto:balakrishnak@canarabank.com)  
**Website:** [www.canarabank.in](http://www.canarabank.in)

##### HDFC Bank Limited

**Address:** Trade World, A-Wing, 2<sup>nd</sup> Floor,  
Kamal Mills Compound, Senapati Bapat Marg,  
Lower Parel,  
Mumbai 400 013

**Contact Person:** Mr. Xerses Davar  
**Telephone number:** 022 2498 8484  
**E-mail:** [xerses.davar@hdfcbank.com](mailto:xerses.davar@hdfcbank.com)  
**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)

##### IDFC Bank Limited

**Address:** Naman Chambers, C-32, G-Block,  
Bandra-Kurla Complex, BKC,  
Mumbai 400 051

**Contact Person:** Mr. Abdullah Mehtab  
**Telephone number:** 022 4222 2000 (25654)  
**E-mail:** [abdullah.mehtab@idfcbank.com](mailto:abdullah.mehtab@idfcbank.com)  
**Website:** [www.idfcbank.com](http://www.idfcbank.com)

##### Punjab National Bank

**Address:** Large Corporate, Maker Tower E,  
Ground Floor, Cuff Parade,  
Mumbai 400 005

**Contact Person:** Ms. Bina Narula  
**Telephone number:** 022 2215 0222 / 2218 0752  
**E-mail:** [binanarula@pnb.co.in](mailto:binanarula@pnb.co.in)  
**Website:** [www.pnbindia.in](http://www.pnbindia.in)

##### State Bank of India

**Address:** Mid Corporate Group, Commercial Branch  
(Advances), Horniman Circle, Fort, Mumbai 400 001

**Contact Person:** Deputy General Manager  
**Telephone number:** 022 2266 2323  
**E-mail:** [sbi.06070@sbi.co.in](mailto:sbi.06070@sbi.co.in)  
**Website:** [www.sbi.co.in](http://www.sbi.co.in)



## Bankers to the Company

### Syndicate Bank

**Address:** Large Corporate Branch,  
Homji Street 3<sup>rd</sup> Floor,  
10, Homji Street, Fort,  
Mumbai 400 023  
**Contact Person:** Mr. S.V. Santhanam  
**Telephone number:** 022 2262 2234  
**E-mail:** br.5063@syndicatebank.co.in  
**Website:** [www.syndicatebank.in](http://www.syndicatebank.in)

### Vijaya Bank

**Address:** Corporate Banking Branch-I,  
New Excelsior Building, 2<sup>nd</sup> floor,  
Wallace Street, Fort,  
Mumbai 400 001  
**Contact Person:** Mr. Vishal Kumar  
**Telephone Number:** 022-22079776  
**Email:** [vb5045@vijayabank.com](mailto:vb5045@vijayabank.com)  
**Website:** [www.vijayabank.com](http://www.vijayabank.com)

## Public Issue Account Banks

### HDFC Bank Limited

**Address:** HDFC Bank Limited, FIG – OPS, Department – Lodha, I Think Techno Campus O-3 Level, next to Kanjurmarg, Railway Station, Kanjurmarg (East), Mumbai 400 042  
**CIN:** L65920MH1994PLC080618  
**Contact Person:** Mr. Vincent Dsouza, Mr. Siddharth Jadhav, Mr. Prasanna Uchil  
**Telephone number:** 022 3075 2927 / 022 3075 2928 / 022 3075 2914  
**Fascimile:** 022 2579 9801  
**E-mail:** [Vincent.Dsouza@hdfcbank.com](mailto:Vincent.Dsouza@hdfcbank.com) / [Siddharth.Jadhav@hdfcbank.com](mailto:Siddharth.Jadhav@hdfcbank.com) / [Prasanna.Uchil@hdfcbank.com](mailto:Prasanna.Uchil@hdfcbank.com)  
**Investor grievance email:** Paresh.Soni@hdfcbank.com  
**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)  
**SEBI Registration Number:** INBI00000063

### Axis Bank Limited

**Address:** Jeevan Prakash Building, Sir P M road, Fort, Mumbai – 400001  
**CIN:** L65110GJ1993PLC020769  
**Contact Person:** Mr. Sudhir Raje  
**Telephone number:** 022 4086 7336 / 022 4086 7474  
**Fascimile:** 022 4086 7327 / 022 4086 7378  
**E-mail:** [fort.operationshead@axisbank.com](mailto:fort.operationshead@axisbank.com)  
**Investor grievance email:** [iponfo.mum@axisbank.com](mailto:iponfo.mum@axisbank.com)  
**Website:** [www.axisbank.com](http://www.axisbank.com)  
**SEBI Registration Number:** INBI00000017

## Refund Bank

### HDFC Bank Limited

**Address:** HDFC Bank Limited, FIG – OPS, Department – Lodha, I Think Techno Campus O-3 Level, next to Kanjurmarg, Railway Station, Kanjurmarg (East), Mumbai 400 042  
**Contact Person:** Mr. Vincent Dsouza, Mr. Siddharth Jadhav, Mr. Prasanna Uchil  
**Telephone number:** 022 3075 2927 / 022 3075 2928 / 022 3075 2914  
**Fascimile:** 022 2579 9801  
**E-mail:** [vincent.dsouza@hdfcbank.com](mailto:vincent.dsouza@hdfcbank.com) / [siddharth.jadhav@hdfcbank.com](mailto:siddharth.jadhav@hdfcbank.com) / [prasanna.uchil@hdfcbank.com](mailto:prasanna.uchil@hdfcbank.com)  
**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)  
**SEBI Registration Number:** INBI00000063

## Lead Brokers to the Issue

### A.K. Stockmart Private Limited

**Address:** 30-39, Free Press House, 3<sup>rd</sup> Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai 400 021, India  
**CIN:** U67120MH2006PTC158932  
**Contact Person:** Mr. Ankit Gupta / Mr. Ranjit Dutta  
**Telephone number:** 022 6754 6500  
**Fascimile:** 022-67544666  
**E-mail:** [ankit@akgroup.co.in](mailto:ankit@akgroup.co.in) / [ranjit.dutta@akgroup.co.in](mailto:ranjit.dutta@akgroup.co.in)  
**Investor Grievance E-mail** [investorgrievance@akgroup.co.in](mailto:investorgrievance@akgroup.co.in)  
**SEBI Registration Number:** NSE – INB231269532 / BSE – INB011269538

### Axis Capital Limited

**Address:** Axis House, Level 1, C-2, Wadia International Centre, P.B. Marg, Worli, Mumbai – 400 025, India  
**CIN:** U51900MH2005PLC157853  
**Contact Person:** Mr. Ajay Sheth / Mr. Vinayak Ketkar  
**Telephone number:** 022 4325 3110  
**Fascimile:** 022 4325 3000  
**E-mail:** [ajay.sheth@axiscap.in](mailto:ajay.sheth@axiscap.in) / [vinayak.ketkar@axiscap.in](mailto:vinayak.ketkar@axiscap.in)  
**ID: Investor Grievance E-mail ID:** N.A.  
**Website:** [www.axiscapital.co.in](http://www.axiscapital.co.in)  
**SEBI Registration Number:** INM000012029

### Edelweiss Securities Limited

**Address:** Edelweiss House, Off C.S.T. Road, Kalina, Mumbai 400 098, India  
**CIN:** U67110AP1993PLC052266  
**Contact Person:** Mr. Amit Dalvi / Mr. Prakash Boricha  
**Telephone number:** 022 6747 1341 / 022 – 6747 1342

### HDFC Securities Limited

**Address:** HDFC Securities Limited, I Think Techno Campus Building – B, "Alpha", Office Floor 8, Opp. Crompton Greaves, Near Kanjurmarg Station, Kanjurmarg (East), Mumbai 400 042, India  
**CIN:** U67120MH2000PLC152193

**Lead Brokers to the Issue****Fascimile:** NA**E-mail:** [amit.dalvi@edelweissfin.com](mailto:amit.dalvi@edelweissfin.com) /[prakash.boricha@edelweissfin.com](mailto:prakash.boricha@edelweissfin.com)**Investor Grievance E-mail ID:** [helpdesk@edelweiss.in](mailto:helpdesk@edelweiss.in)**Website:** [www.edelweissfin.com](http://www.edelweissfin.com) / [www.edelweiss.in](http://www.edelweiss.in)**SEBI Registration Number:** INZ000166136**Contact Person:** S. Sambath Kumar**Telephone number:** 022 3075 3400**Fascimile:** 022 3075 3435**E-mail:** [customercare@hdfcsec.com](mailto:customercare@hdfcsec.com)**Investor Grievance E-mail ID:** [services@hdfcsec.com](mailto:services@hdfcsec.com)**Website:** [www.hdfcsec.com](http://www.hdfcsec.com)**SEBI Registration Number:** INB/F/E231109431 (NSE);

INB/F011109437 (BSE)

**IIFL Securities Limited****Address:** 6<sup>th</sup> & 7<sup>th</sup> Floor, Akruti Centre Point,

Central Road, MIDC, Andheri (E),

Mumbai 400 093

**CIN:** U99999MH1996PLC132983**Contact Person:** Mr. Prasad Umarale**Telephone number:** 022 3929 4000 / 022 4103 5000**Fascimile:** 022 2580 6654**E-mail:** [cs@indiainfoline.com](mailto:cs@indiainfoline.com)**Investor Grievance E-mail ID:** [customergrievances@indiainfoline.com](mailto:customergrievances@indiainfoline.com)**Website:** [www.indiainfoline.com](http://www.indiainfoline.com)**SEBI Registration Number:** INZ000164132**Karvy Stock Broking Limited****Address:** "Karvy House", 46, Avenue 4, Street No. 1,

Banjara Hills,

Hyderabad 500 034, India

**CIN:** U67120TG1995PLC019877**Contact Person:** Mr. P.B. Ramapriyan**Telephone number:** 040 2331 2454**Fascimile:** 040 3321 8029**E-mail:** [ksbldist@karvy.com](mailto:ksbldist@karvy.com)**Investor Grievance E-mail ID:** [ksblredressal@karvy.com](mailto:ksblredressal@karvy.com)**Website:** [www.karvy.com](http://www.karvy.com)**SEBI Registration Number:** NSE – INB230770138; BSE –

INB010770130

**Integrated Enterprises (India) Private Limited****Address:** A – 123, 12<sup>th</sup> floor, Mittal Tower, Nariman Point,

Mumbai – 400 021

**CIN:** U65993TN1987PTC014964**Contact Person:** Mr. V. Krishnan**Telephone number:** 022 4066 1800**Fascimile:** 022 2287 4676**E-mail:** [krishnan@integratedindia.in](mailto:krishnan@integratedindia.in)**Investor Grievance E-mail ID:** [sriram@integratedindia.in](mailto:sriram@integratedindia.in)**Website:** [www.integratedindia.in](http://www.integratedindia.in)**SEBI Registration Number:** INZ000095737**Tipsons Stock Brokers Private Limited****Address:** Sheraton House, 5<sup>th</sup> Floor,

Opp. Ketav Petrol Pump,

Polytechnic Road, Ambawadi,

Ahmedabad 380 015, India

**CIN:** U65910GJ1995PTC028486**Contact Person:** Mr. Nilesh Panchal**Telephone number:** 079 6682 8000 / 079 6682 8064 / 079

6682 8029 / 079 6682 8120

**Fascimile:** 079 6682 8001**E-mail:** [suman.bhagdev@tipsons.com](mailto:suman.bhagdev@tipsons.com)**Investor Grievance E-mail ID:** [compliance@tipsons.com](mailto:compliance@tipsons.com)**Website:** [www.tipsons.com](http://www.tipsons.com)**SEBI Registration Number:** NSE – INB 231428039; BSE –

INB 011428035

**SMC Global Securities****Address:** 17, Netaji Subhash Marg,

Opp Golcha Cinema Dayaganj,

Delhi 110 002

**CIN:** L74899DL1994PLC063609**Contact Person:** Mr. Mahesh Gupta / Mr. Neeraj Khanna**Telephone number:** +91 98186 20470 / +91 98100 59041**Fascimile:** 011 2326 3297**E-mail:** [mkg@smcindiaonline.com](mailto:mkg@smcindiaonline.com)[neerajkhanna@smcindiaonline.com](mailto:neerajkhanna@smcindiaonline.com)**Investor Grievance E-mail ID:** [neerajkhanna@smcindiaonline.com](mailto:neerajkhanna@smcindiaonline.com)**Website:** [www.smctradeonline.com](http://www.smctradeonline.com)**SEBI Registration Number:** INZ000199438 (New number)

and INB23/07714-31 (Old number)

**ICICI Securities Limited****Address:** ICICI Centre, H.T. Parekh Marg, Churchgate,

Mumbai 400 020

**CIN:** L67120MH1995PLC086241**Contact Person:** Mr. Rajat Rawal**Telephone number:** 022 66377157**Fascimile:** N.A.**E-mail:** [rajat.rawal@icicisecurities.com](mailto:rajat.rawal@icicisecurities.com)**Investor Grievance E-mail ID:** [customercare@icicisecurities.com](mailto:customercare@icicisecurities.com)**Website:** [www.icicisecurities.com](http://www.icicisecurities.com)**SEBI Registration Number:** INM000011179**Trust Financial Consultancy Services Private Limited****Address:** 1101, Naman Centre, 'G' Block, C-31, Bandra Kurla

Complex, Bandra (E),

Mumbai 400 051

**CIN:** U67120MH2002PTC135942**Contact Person:** Mr. Pranav Inamdar**Telephone number:** 022 4084 5000**Fascimile:** 022 4084 5007**E-mail:** [pranav.inamdar@trustgroup.in](mailto:pranav.inamdar@trustgroup.in)**Investor Grievance E-mail ID:** [grievances@trustgroup.in](mailto:grievances@trustgroup.in)**Website:** [www.trustgroup.in](http://www.trustgroup.in)**SEBI Registration Number:** NSE – INB231198731; BSE –

INB011198737

**Trust Securities Services Private Limited****Address:** 1101, Naman Centre, 'G' Block, C-31, Bandra Kurla

Complex, Bandra (E),

Mumbai 400 051

**CIN:** U65929MH2016PTC287266**Contact Person:** Ms. Avani Dalal**Telephone number:** 022 4084 5000**Fascimile:** 022 4084 5007**E-mail:** [avani.dalal@trustgroup.in](mailto:avani.dalal@trustgroup.in)**Investor Grievance E-mail ID:** [grievances@trustgroup.in](mailto:grievances@trustgroup.in)**Website:** [www.trustgroup.in](http://www.trustgroup.in)**SEBI Registration Number:** BSE – INZ000158031**Kotak Securities Limited****JM Financial Services Limited**

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**Lead Brokers to the Issue**

**Address:** 4th Floor, C-12, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai 400 051

**CIN:** U99999MH1994PLC134051

**Contact Person:** Umesh Gupta

**Telephone number:** 022 62185470

**Fascimile:** 022 66617041

**E-mail:** umesh.gupta@kotak.com

**Investor Grievance E-mail ID:** ipo.redressal@kotak.com

**Website:** www.kotaksecurities.com

**SEBI Registration Number:** INB230808130/ INB010808153

**Address:** 2,3 &4, Kamanwala Chambers, Ground Floor, Sir  
PM Road, Fort, Mumbai – 400 001

**CIN:** U67120MH1998PLC115415

**Contact Person:** Mr. Surajit Misra / Mr. Deepak Vaidya / Mr.  
T.N. Kumar

**Telephone Number:** 022 6136 3400

**Fascimile:** NIL

**Investor Grievance E-mail ID:** [ig.distribution@jmfl.com](mailto:ig.distribution@jmfl.com)

**Website:** www.jmfinancialservices.in

**SEBI Registration Number:** INZ000195834

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**Impersonation**

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

*"Any person who—*

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

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

*(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447."*

**Minimum Subscription**

In terms of the SEBI Debt Regulations, for an issuer undertaking a public issue of debt securities the minimum subscription for public issue of debt securities shall be 75% of the Base Issue. If our Company does not receive the minimum subscription of 75% of the Base Issue, being ₹ 1,875 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.

**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.

#### *RTAs / CDPs*

The list of the RTAs and CDPs, eligible to accept Applications in the Issue, including details such as postal address, telephone number and email address, are provided on the websites of the BSE at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> for RTAs 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 RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

#### **Underwriting**

The Tranche II Issue is not underwritten.

#### **Arrangers to the Issue**

There are no arrangers to the Tranche II Issue.

#### **Utilisation of Issue proceeds**

For details on utilisation of Issue proceeds, please refer to the chapter titled "*Objects of the Tranche II Issue*" on page 74 of this Tranche II Prospectus.

#### **Issue Programme**

<b>TRANCHE II ISSUE OPENS ON</b>	November 20, 2018
<b>TRANCHE II ISSUE CLOSES ON</b>	December 20, 2018

This Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that this Tranche 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 the NCD Public Issue 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 reputed 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. to 5:00 p.m. or such extended time as may be permitted by BSE, on Working Days during the 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. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by 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 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, in the event of oversubscription, on such date, the allotments should be made to the applicants on proportionate basis.

## MATERIAL DEVELOPMENTS

### Material developments since the date of filing of the Shelf Prospectus

There are no recent material developments in relation to our Company as disclosed in the sections titled “**Risk Factors**”, “**Capital Structure**”, “**About the Issuer and Industry Overview**”, “**Our Business**”, “**History and Main Objects**”, “**Our Management**”, “**Disclosures on Existing Financial Indebtedness**”, “**Financial Information**”, “**Pending Proceedings and Statutory Defaults**”, “**Regulations and Policies**”, “**Material Developments**” and “**Summary of Key Provisions of Articles of Association**” since the date of filing of the Shelf Prospectus except as disclosed below.

### Risk Factors

***The financial statements for the six months period ended September 30, 2018 included in this Tranche II Prospectus have not been audited and are not a complete set of financial statements.***

Our financial results for any given fiscal, quarter or period, including the Unaudited Interim Financial Information, may not be directly comparable with our financial results for any full fiscal or for any other fiscal quarter or period. The financial statements for the quarter ended September 30, 2018 included in this Tranche II Prospectus have not been audited and have been subjected to a limited review in accordance with Regulation 52 of the SEBI LODR Regulations. These are not a complete set of financial statements and any reliance by prospective investors on such financial statements should be limited and in accordance with their own assessment of limited review procedures.

***We may find it difficult to raise funds in terms of quantum, cost and tenure under the current liquidity scenario which may adversely affect the Company's business and operations.***

The liquidity and on-going profitability of our business are, in large part, dependent upon our timely access to funds, and the costs associated with raising such funds. Our funding requirements historically have been met from a combination of shareholder funds, secured and unsecured borrowings from banks and financial institutions, redeemable non-convertible debentures. Thus, our business depends and will continue to depend on our ability to access diversified funding sources. Our ability to raise funds on acceptable terms and at competitive rates continues to depend on various factors including our credit ratings, the regulatory environment and policy initiatives in India, developments in the international markets affecting the Indian economy, investors' and/or lenders' perception of demand for debt and equity securities of NBFCs, and our current and future results of operations and financial condition.

Reserve Bank of India's monetary policy, changes in economic and financial conditions or continuing lack of liquidity in the market could make it difficult for us to access funds at competitive rates. Scarcity of long term funds will adversely impact asset/liability profile of the company.

### Overview of our business

The consolidated revenue and profit after tax of JM Financial Limited for half year ended September 30, 2018 stood at ₹ 18,281.7 million and ₹ 3,060.8 million respectively. The total assets\* of JM Financial Limited for the half year ended September 30, 2018, stood at ₹ 270,141.5 million and Shareholders equity (including minority interests)\* stood at ₹ 69,454.4 million.

*\*net of Goodwill of ₹ 733.7 million*

As of September 30, 2018, advances towards residential projects represented 73.5% of our total advances and cash flow backed advances represented 86.3% of our total advances.

As of September 30, 2018, advances towards residential projects and commercial projects represented 73.5% and 16.9% of our total advances respectively. As of September 30, 2018, cash flow backed advances represented 86.3% of our total advances. As of September 30, 2018, we had 85 borrower groups in this business, and the average ticket size of our advances per borrower group was ₹ 1028.0 million.

The following table sets forth the product wise split of our loan book as of September 30, 2018:

Product	Percentage of total Loan Book (%)
Project Finance	48.3%
Loan against property	18.2%
Loan against shares	8.2%
Project at Early Stage loans	11.6%
Loans against land	12.5%
Unsecured loans*	1.2%
<b>Total</b>	<b>100.0%</b>

\*The loans are unsecured pending security creation by the borrowers on a subsequent date. The facility is extended to very select marquee clients where we engage with them in repeat business.

As of September 30, 2018, we had 85 borrower groups in this business, and the average ticket size of our advances per borrower group was ₹ 1,028.0 million.

The following table sets out the geographic split of our aggregate Loan Book as of September 30, 2018:

Region	Percentage of Loan Book (%)
Mumbai	38.8%
Bengaluru	22.7%
Chennai	13.1%
Pune	8.2%
Kolkata	5.0%
Hyderabad	3.5%
NCR	7.9%
Others	0.8%
<b>Total</b>	<b>100.0%</b>

The following table sets forth our long term and short term borrowing profile by instrument as of September 30, 2018:

	September 30, 2018 (Unaudited)	
	Amount	Percentage of Grand Total
	(₹ million)	(%)
Term loans	25,640.4	38.9%
Non-convertible debentures	24,390.3	37.0%
Finance lease obligation	0.3	0.0%
<b>Total</b>	<b>50,031.0</b>	<b>76.0%</b>
Working Capital demand Loan	-	-
Cash credit facilities	2,393.9	3.6%
Commercial papers	13,442.6	20.4%
Inter corporate deposit	-	-
<b>Total</b>	<b>15,836.5</b>	<b>24.0%</b>
<b>Grand Total</b>	<b>65,867.5</b>	<b>100.0%</b>

## NPA

The table below sets out the details on the Company's NPA as on September 30, 2018:

Particulars	September 30, 2018 (Unaudited)
	(₹ million, except number of accounts / groups)
Gross NPAs	758.0
Provisions	151.6
Net NPAs	606.4
Total assets (including income reversal)	94,210.0
Gross NPA to Total Assets	0.8%
Net NPA to Total Assets	0.6%
Provision Coverage Ratio	20.0%

## Key Performance Indicators

The following tables set forth certain information relating to the financial performance and key performance indicators of our lending business as carried out by us as on September 30, 2018:

Parameters	As of March 31, 2016	As of March 31, 2017	As of March 31, 2018	September 30, 2018 (Unaudited)
	(₹ million, except number of accounts / groups)			
Networth	11,360.2	14,132.7	17,415.6	26,656.1
Total debt				
i) Non current maturities of long term borrowings	19,569.7	25,675.7	36,133.2	36,730.2
ii) Short term borrowings	8,180.5	8,525.2	8,403.7	15,836.5
iii) Current maturities of long term borrowings	1,939.3	7,181.4	10,950.8	13,300.8
Net fixed assets	3.1	8.5	6.7	5.7
Non current assets	33,253.1	38,913.3	48,501.9	59,767.8
Cash and cash equivalents#	1,018.6	17.0	1,183.4	7,076.4
Current investments	-	-	-	-
Current assets	8,814.6	17,998.1	26,309.8	34,442.1
Current liabilities	10,885.6	16,662.9	20,509.2	30,362.1
Assets under management	-	-	-	-
Off balance sheet assets	-	-	-	-
Interest income from funding activities	4,683.6	7,077.4	8,697.5	5,770.9
Interest expense	1,746.8	3,122.6	3,916.6	2,939.3
Provisioning and write – offs	76.7	76.0	167.9	254.9
PAT	1,975.4	2,772.5	3,282.9	1,702.2
Gross NPA (%)	-	-	1.0%	0.9%
Net NPA (%)	-	-	0.9%	0.7%
Tier I Capital Adequacy Ratio (%)	26.8%	24.5%	22.0%	26.9%
Tier II Capital Adequacy Ratio (%)	0.3%	0.4%	0.4%	0.6%

# Includes redemption proceeds receivable from Mutual Fund amounting to Rs.7,004.7 million, received on October 1, 2018.

Our Net Total Income and Profit after Tax increased at a CAGR of 84.6% and 88.8%, respectively from Fiscal 2015 to Fiscal 2018. In addition, our Loan Book also increased at a CAGR of 58.5% from Fiscal 2015 to Fiscal 2018. The Net Total Income for half year ended September 30, 2018 stood at Rs. 3,168.1 million as compared to Rs. 2,724.2 million for half year ended September 2017.

The Net Total Income for FY2016, FY2017 and FY2018 stood at Rs. 3,447.6 million, Rs. 4,761.0 million and Rs. 5,682.7 million respectively.

	As of March 31, 2016	As of March 31, 2017	As of March 31, 2018	As of September 30, 2018 (Unaudited)
	(₹ million, except ratios and percentages)			
<b>Assets:</b>				
Fixed Assets	3.1	8.4	6.7	5.7
Loan Assets	40,744.7	56,581.5	73,388.8	85,607.8
Other Assets	1,319.9	321.4	1,416.2	8,596.5
<b>Total Assets</b>	<b>42,067.7</b>	<b>56,911.3</b>	<b>74,811.7</b>	<b>94,210.0</b>
<b>Liabilities:</b>				
Share Capital	25.0	25.0	25.0	28.3
Reserves and Surplus	11,335.2	14,107.7	17,390.6	26,627.8
Shareholders' Funds	11,360.2	14,132.7	17,415.6	26,656.1
Borrowings	29,689.9	41,382.7	55,488.0	65,867.5
Other Liabilities	1,017.6	1,395.9	1,908.1	1,686.4
<b>Total liabilities</b>	<b>42,067.7</b>	<b>56,911.3</b>	<b>74,811.7</b>	<b>94,210.0</b>



	As of March 31, 2016	As of March 31, 2017	As of March 31, 2018	As of September 30, 2018 (Unaudited)
	(₹ million, except ratios and percentages)			
	7			
Gross NPAs	-	-	1.0%	0.9%
Net NPAs	-	-	0.9%	0.7%
Debt to Equity	2.6	2.9	3.2	2.5
Capital Adequacy	27.1%	24.9%	22.4%	27.6%
Tier I Ratio	26.8%	24.5%	22.0%	26.9%

Ratios	Fiscal 2016	Fiscal 2017	Fiscal 2018	September 30, 2018 (Unaudited)
Yield <sup>(1)</sup>	16.6%	15.7%	14.7%	14.1%
Cost Of Borrowing <sup>(1)</sup>	9.9%	9.8%	9.2%	9.4%
Net Interest Margin <sup>(1)</sup>	10.4%	8.8%	8.0%	6.9%
Cost to Net Total Income	10.3%	9.2%	8.3%	9.2%
ROA <sup>(1)</sup>	6.5%	5.6%	5.0%	4.3%
ROE <sup>(1)</sup>	19.0%	21.8%	20.8%	19.3%

(1) Calculated on an annualized basis

\*The key performance indicators for Fiscal 2016, Fiscal 2017 and Fiscal 2018 have been prepared in accordance with the Indian GAAP. Please note that on account of change in applicable law, the key performance indicators for the half-year ended September 30, 2018 are prepared in accordance with the IND AS. Therefore, the key performance indicators pertaining to the half-year ended September 30, 2018 are not comparable with the key performance indicators pertaining to Fiscal 2016, Fiscal 2017 and Fiscal 2018.

### Capital Adequacy Ratio

The following table sets out the capital adequacy ratios, as of the dates indicated:

	September 30, 2018 (Unaudited)
	(₹ million, except ratios and percentages)
Tier I Capital	26,036.1
Tier II Capital	606.0
<b>Total Capital</b>	<b>26,642.1</b>
<b>Total Risk Weighted Assets</b>	<b>96,694.0</b>
<b>Capital Adequacy Ratio (as a Percentage of Total Risk Weighted Assets (%))</b>	
Tier I Capital	26.9%
Tier II Capital	0.6%
<b>Total Capital</b>	<b>27.6%</b>

### Key Performance Quarterly Highlights

The following table sets out our key performance quarterly highlights, as of the dates indicated:

	Q2 FY 2019	Q1 FY 2019	Q2 FY 2018	H1 FY 2019	H1 FY 2018
	(₹ million, except ratios and percentages)				
Revenue	3,195.1	2,912.2	2,200.5	6,107.4	4,572.0
Net Profit after tax	874.1	828.2	707.8	1,702.2	1,545.0
Net worth	26,656.1	17,557.2	15,085.7	26,656.1	15,085.7
Loan book	87,381.6	84,754.8	57,075.0	87,381.6	57,075.0
Net Interest Margin	7.0%	7.0%	8.0%	6.9%	8.3%
Total Assets	94,210.0	84,937.0	57,129.1	94,210.0	57,129.1
Debt / Equity Ratio	2.5	3.8	2.6	2.5	2.6

Loan book	Q2 FY18	Q3 FY18	Q4 FY18	Q1 FY19	Q2 FY19
	(₹ million)				
Real Estate	56,965.0	64,640.2	73,278.8	84,644.8	87,271.6
Corporate credit and Structured finance	110.0	110.0	110.0	110.0	110.0
<b>Total</b>	<b>57,075.0</b>	<b>64,750.2</b>	<b>73,388.8</b>	<b>84,754.8</b>	<b>87,381.6</b>

Return Ratios & Capital Adequacy	Q1 FY18	Q2 FY18	Q1 FY19	Q2 FY19
ROA (not annualized)	1.5%	1.2%	1.0%	1.0%
ROE (not annualized)	5.9%	4.8%	4.8%	4.9%
Capital Adequacy	26.2%	27.3%	20.1%	27.6%

Return Ratios & Capital Adequacy	H1 FY19	H1 FY18
ROA (annualized)	4.3%	5.5%
ROE (annualized)	19.3%	21.6%
Capital Adequacy	27.6%	27.3%

\*ROE and ROA are based on weighted average on account of equity funds raised on September 28, 2018

Our capital adequacy ratio as of September 30, 2018 is as follows:

Particulars	September 30, 2018
CAR prescribed by RBI	15.0%
Total capital adequacy ratio	27.6%
i) Tier I	26.9%
ii) Tier II	0.6%

## Employees

As on the date of this Tranche II Prospectus, the Company has engaged 36 employees as opposed to 30 employees as on the date of the Shelf Prospectus.

## Other Directorships

As on the date of this Tranche II Prospectus, the following are the other directorships of Mr. Darius E Udawadia and Dr. Anup Shah:

S. No.	Name of the Director	Other Directorships
1.	Mr. Darius E Udawadia	<ol style="list-style-type: none"> <li>1. ABB India Limited;</li> <li>2. Conservation Corporation of India Private Limited;</li> <li>3. Concast (India) Limited;</li> <li>4. Habasit Iakoka Private Limited;</li> <li>5. ITD Cementation India Limited;</li> <li>6. JM Financial Limited;</li> <li>7. MPS Limited;</li> <li>8. Quantum Advisors Private Limited;</li> <li>9. Rossi Gearmotors (India) Private Limited;</li> <li>10. The Bombay Burmah Trading Corporation Limited.</li> </ol>
2.	Dr. Anup Shah	<ol style="list-style-type: none"> <li>1. Claris Lifesciences Limited;</li> <li>2. Jaicorp Limited;</li> <li>3. JM Financial Capital Limited;</li> <li>4. JM Financial Services Limited;</li> <li>5. Knowhowhub.com Private Limited;</li> <li>6. Landmark Business Service Centre Private Limited;</li> <li>7. Macro Investment and Financial Consultants Private Limited;</li> <li>8. Marathon Nextgen Realty Limited;</li> <li>9. Mahindra Susten Private Limited;</li> <li>10. Health and Education Foundation;</li> <li>11. Jaicorp Welfare Foundation.</li> </ol>

## Constitution of the Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee was constituted vide board resolution dated July 16, 2018. As on the date, the Stakeholders' Relationship Committee comprises of:

Name of the Director	Designation in the Committee	Nature of Directorship
Mr. V P Shetty	Chairman	Non-Executive Director
Mr. Hariharan Aiyar	Member	Non-Executive Director
Ms. Dipti Neelakantan	Member	Non-Executive Director

Terms of reference of the Stakeholders' Relationship Committee include:

- To redress the grievances of security holders of Company; and
- Such other allied matters and the matters that may be entrusted by the Board of Directors from time to time.

**Inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years immediately preceding the year of issue of this Tranche II Prospectus**

The Company and its Directors had received a show cause notice dated July 20, 2018 from the Assistant Registrar of Companies, Maharashtra at Mumbai for non-appointment of a woman director pursuant to Section 149 of the Companies Act, 2013 read with Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014. The Company and its Directors have responded to the Assistant Registrar of Companies, Maharashtra at Mumbai stating that the Company is in due compliance of the provisions of Section 149 of the Companies Act, 2013 read with Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014, since it has a woman director on its Board since October 28, 2015.

**Key terms of material agreements**

***Investment Agreements***

1. *Investment agreement executed between our Company, JMFL, Mr. Vikram Pandit and Mr. Hariharan Aiyar ("Investment Agreement")*

On June 18, 2014, our Company, JMFL, Mr. Vikram Pandit and Mr. Hariharan Aiyar (collectively, the "**Parties**") entered into an agreement setting out the terms and conditions pertaining to the manner in which Mr. Vikram Pandit and Mr. Hariharan Aiyar or other Person controlled / advised by them and designated jointly by them (the "**Investor**") would invest into the Company and the rights and obligations of the Parties in relation to the Company ("**Investment Agreement**").

Additionally, the Investment Agreement provides for the following arrangements between the Parties:

- Mr. Vikram Pandit and Mr. Hariharan Aiyar have agreed to cause the funds to invest into the Company subject to, and in accordance with the terms of the Investment Agreement.
- *Board of directors:* So long as the Investor along with its affiliates, holds not less than 15% (fifteen per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis, the Investor shall have a right to (i) nominate for appointment by the Board 2 (two) Directors ("**Investor Directors**"); and (ii) designate Mr. Vikram Pandit as Non-Executive Chairman and Mr. Hariharan Aiyar as Non-Executive Vice Chairman, so long as Mr. Vikram Pandit and Mr. Hariharan Aiyar are Directors. the Board may appoint such number of independent directors that are required in terms of any regulatory requirements and commensurate with business needs and are mutually acceptable to JMFL and the Investor.
- *Further issue of capital:* Save and except the investments which have been contemplated in the Agreement, in the event the Company is desirous of issuing additional capital, then the Company shall, unless otherwise agreed to by the Parties, issue Equity Shares and/or equity linked instruments to the then existing shareholders of the Company on a rights issue basis in proportion of their shareholding in accordance with applicable Law at the lowest price which may be permitted under applicable Law or such price as may be mutually agreed to between JMFL and the Investor.
- *Initial public offering:* The Parties will use their best efforts to complete an initial public offering of the Company and list its equity shares on the National Stock Exchange of India Limited, the BSE Limited and/or any recognized Indian or international stock exchange, as may be decided by the board of the

Company within five years from the final closing date, unless mutually agreed in writing between the Investor and JMFL for postponement of an IPO by the Company due to unfavourable market condition or other good and sufficient reason.

2. *Subscription and Shareholders' agreement entered into between the Company, JMFL, INH Mauritius 1, Aparna Murthy Aiyar ("AMA") (INH Mauritius 1 and AMA collectively referred to as the "Original Investors" and JMFL and the Original Investors collectively referred to as the "Existing Investors") and Moraine Master Fund LP (hereinafter referred to as the "New Investor") (collectively referred to as the "Parties")*

A subscription and shareholders' agreement dated September 27, 2018 ("SSHA") was entered into between the Company, JMFL, the Original Investors and the New Investor in Chennai. The mutual rights and duties of JMFL, Mr. Vikram Pandit and Mr. Hariharan Aiyar in the Company including operation, control and management of the Company *vis-à-vis* INH Mauritius 1 shall be construed, interpreted, acted upon and governed in accordance with the terms and conditions of the Original Investment Agreement. The Company is desirous of raising further funds and hence, has approached the New Investor to invest into the Company by subscription of equity shares by way of preferential allotment on the terms and conditions set out in the SSHA. In addition, the Existing Investors are also desirous of infusing further funds into the Company on the terms and conditions set out in the SSHA. The SSHA sets out the mutual understanding between the Parties, including their respective rights and obligations and terms and conditions regulating the securities being subscribed by the New Investor and the Existing Investors. The key provisions of the SSHA are summarised below:

- *Issue and subscription:* The Company agrees to issue and allot in one or more tranches: (a) 84,343 equity shares to the New Investor, aggregating to INR 2,125,865,315; (b) 89,268 equity shares including 19,837 partly paid up equity shares to JMFL aggregating to INR 2,249,999,940; (c) 4,751 equity shares to AMA aggregating to INR 119,748,955; and (d) 168,791 equity shares to INH Mauritius 1 aggregating to INR 4,254,377,155.
- *Initial Public Offering:* The Parties agree and acknowledge that the Company shall use its reasonable best efforts to complete an IPO and list the Equity Shares on the National Stock Exchange of India Limited, the BSE and/or any other nationally recognised Indian stock exchange within 2 years from the Final Closing Date (i.e. a date at which all subscriptions are complete and which shall not exceed the Long Stop Date – November 30, 2018 or such other date as may be mutually agreed between the Parties) at a per share price amounting to at least 2 times the per share subscription amount, as adjusted for stock splits and other similar events, and with net proceeds to the Company of at least USD 150 million. The Company and JMFL shall facilitate the IPO of the Company and complete all necessary compliances and formalities to ensure the listing.
- *Partly paid up subscription shares:* The partly paid up subscription shares of JMFL shall rank *pari passu* with the then outstanding equity shares of the Company, upon the entire payment by JMFL. Further, JMFL is entitled to pay unpaid amount on the partly paid up subscription shares not later than March 31, 2020. In the event of failure to make payment, the Company shall forfeit the partly paid up subscription shares.
- *Further issue of shares:* In the event the Company is desirous of issuing additional capital, then the Company shall, unless otherwise agreed to by the Parties, issue Equity Shares and/or equity linked instruments to the then existing shareholders of the Company on a rights issue basis in proportion of their shareholding in accordance with applicable law at the lowest price which may be permitted under applicable law or such price as may be mutually agreed to between the Existing Investors.

Post closing of the SSHA towards equity infusion, the Company is in the process of completing the post closing activities including the execution of business related agreement such as the Master Agreement between the Company and JMFL as per the terms of SSHA and as agreed between the Parties.

## Capital Structure

The share capital of our Company as of the date of this Tranche II Prospectus is set forth below:

	Amount (in `)
A	Authorised share capital

	30,00,000 Equity Shares of ` 10.00 each	3,00,00,000.0
	20,00,000 Preference Shares of ` 10.00 each	2,00,00,000.0
	<b>TOTAL</b>	<b>5,00,00,000.0</b>
<b>B</b>	<b>Issued, subscribed and paid-up share capital</b>	
	28,22,065 fully paid up Equity Shares of ` 10.00 each*	2,82,20,650.0
	19,837 partly paid up Equity Shares of ` 10.00 each**	39,674.0
<b>C</b>	<b>Securities Premium Account</b>	<b>1,703,31,81,762.0</b>

Note: Out of the above issued, subscribed and paid up share capital, 150 Equity Shares were held in physical form. However, as on the date of this Tranche II Prospectus, there are no Equity Shares held in the physical form since the same were dematerialized.

*\*The Company has vide offer letter dated September 27, 2018 invited subscription to upto 3,47,153 Equity Shares including 19,837 partly paid up Equity Shares by way of private placement and the offer period is open till November 30, 2018. Ms. Aparna Murthy Aiyar, one of the investors, is eligible to subscribe to 4,751 Equity Shares pursuant to such offer, up to November 30, 2018, which may result in changes to the capital structure.*

*\*\* An amount of ₹2/- per Equity Share is paid up on the face value of the partly paid up Equity Shares.*

This Issue will not result in any change of the paid up share capital and Securities Premium Account of the Company.

## Notes to capital structure

### Share capital history of the Company

(a) Equity Share capital history of the Company as of the date of this Tranche II Prospectus

Date allotment	of	No. of Equity Shares	of	Face value (₹)	Issue price (₹)	Nature of consideration	Nature of allotment	of	Cumulative no. of Equity Shares	Cumulative paid-up share capital (₹)
On incorporation	7			10.00	10.0	Cash	Allotment to Subscribers(1)	7	70.00	
September 1980	9,	49,993		10.00	10.0	Cash	Initial Public Offer(2)	50,000	5,00,000.0	
November 2014	3,	12,00,000		10.00	2,870.0	Cash	Rights Issue(3)	12,50,000	1,25,00,000.0	
November 2014	20,	4		10.00	4,320.0	Cash	Private Placement(4)	12,50,004	1,25,00,040.0	
February 9, 2017		12,15,292		10.00	-	-	Conversion of CCPS into Equity Shares(5)	24,65,296	2,46,52,960.0	
July 21, 2017		34,204		10.00	-	-	Conversion of CCPS into Equity Shares(6)	24,99,500	2,49,95,000.0	
September 2018	28,	3,22,565		10.00	25,205	Cash	Private Placement(7)	28,22,065	2,82,20,650.0	
September 2018	28,	19,837		10.00	25,205	Cash	Private Placement(8)	28,41,902	2,82,60,324.0	

1. Allotment of Equity Shares to Navinchandra Kampani (1), Mahendrakumar Kampani (1), Nimesh Kampani (1), Aruna Kampani (1), Nalin Mehta (1), Lila Mehta (1) and Belman Anchan (1).
2. Allotment of Equity Shares to several applicants pursuant to Initial Public Offer (49,993)
3. Allotment of Equity Shares on rights basis to JMFL (12,00,000).
4. Allotment of Equity Shares pursuant to private placement offer to INH Mauritius I (4).

5. Allotment of Equity Shares upon conversion of CCPS held by INH Mauritius 1(12,15,292) (CCPS were allotted on November 20, 2014).
6. Allotment of Equity Shares upon conversion of CCPS held by Ms. Aparna Aiyar (34,204) (CCPS were allotted on November 20, 2014).
7. Allotment of 3,22,565 fully paid up Equity Shares to JM Financial Limited (69,431), INH Mauritius 1 (1,68,791) and Moraine Master Fund LP (84,343).
8. Allotment of 19,837 partly paid up Equity Shares to JM Financial Limited, wherein the amount partly paid up on the face value of such Equity Shares is Rs. 2 per Equity Share.

(b) Preference Share capital history of the Company as of the date of this Tranche II Prospectus

Date of allotment	No. of Preference Shares	Face value (₹)	Issue price (₹)	Nature of consideration	Nature of allotment	Cumulative no. of Preference Shares	Cumulative paid-up share capital (₹)
November 20, 2014	12,49,496	10.00	4,320.00	Cash	Private Placement (1)	12,49,496	1,24,94,960.0
February 09, 2017	(12,15,292)	10.00	-	-	Conversion of CCPS into Equity Shares (2)	34,204	3,42,040.0
July 21, 2017	(34,204)	10.00	-	-	Conversion of CCPS into Equity Shares (3)	0	0.0

1. Allotment of 12,15,292 CCPS to INH Mauritius 1 and 34,204 CCPS to Ms. Aparna Aiyar on private placement basis. (12,49,496).
2. Conversion of CCPS held by INH Mauritius 1 into Equity Shares (12,15,292).
3. Conversion of CCPS held by Ms. Aparna Aiyar into Equity Shares (34,204).

The Company has not issued any Equity Shares for consideration other than cash in the five financial years immediately preceding the date of this Tranche II Prospectus.

### Share holding pattern of our Company as on September 30, 2018\*

#### 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	0	0	0	0.0000	0	0.0000	0
(b)	Central Government / State	0	0	0	0.0000	0	0.0000	0

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)	
	Government(s)							
(c)	Bodies Corporate	7**	13,19,431	13,39,268	47.1300	0	0.0000	13,39,268
(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)	7**	13,19,431	13,39,268	47.1300	0	0.0000	13,39,268
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)	7**	13,19,431	13,39,268	47.1300	0	0.0000	13,39,268
B	Public shareholder							
1	Institutions							
(a)	Mutual Fund	0	0	0	0.0000	0	0.0000	0
(b)	Venture Capital Funds	0	0	0	0.0000	0	0.0000	0
(c)	Alternate Investment Funds	0	0	0	0.0000	0	0.0000	0
(d)	Foreign Venture Capital Investors	0	0	0	0.0000	0	0.0000	0
(e)	Foreign Portfolio Investor	0	0	0	0.0000	0	0.0000	0
(f)	Financial Institutions / Banks	0	0	0	0.0000	0	0.0000	0
(g)	Insurance Companies	0	0	0	0.0000	0	0.0000	0
(h)	Provident Funds/ Pension Funds	0	0	0	0.0000	0	0.0000	0
(i)	Any Other (Exempted Limited Partnership)	1	84,343	84,343	2.9700	0	0.0000	84,343
	Sub Total (B)(1)	1	84,343	84,343	2.9700	0	0.0000	84,343

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)	
2	Central Government/ State Government(s)/ President of India							
	Central Government / State Government(s)	0	0	0	0.0000	0	0.0000	0
	Sub Total (B)(2)	0	0	0	0.0000	0	0.0000	0
3	Non-Institutions							
(a)	Individuals							
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs.	0	0	0	0.0000	0	0.0000	0
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs.	1	34,204	34,204	1.2000	0	0.0000	34,204
(b)	NBFCs registered with RBI	0	0	0	0.0000	0	0.0000	0
(c)	Employee Trusts	0	0	0	0.0000	0	0.0000	0
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0.0000	0	0.0000	0
(e)	Any Other (Specify)	0	0	0	0.0000	0	0.0000	0
	Trusts	0	0	0	0.0000	0	0.0000	0
	Foreign Nationals	0	0	0	0.0000	0	0.0000	0
	Hindu Undivided Family	0	0	0	0.0000	0	0.0000	0
	Foreign Companies	1	13,84,087	13,84,087	48.7000	0	0.0000	13,84,087
	Non Resident Indians (Non Repat)	0	0	0	0.0000	0	0.0000	0
	Non Resident Indians (Repat)	0	0	0	0.0000	0	0.0000	0
	Foreign Portfolio Investor (Individual)	0	0	0	0.0000	0	0.0000	0
	Clearing Member	0	0	0	0.0000	0	0.0000	0
	Bodies Corporate	0	0	0	0.0000	0	0.0000	0
	Sub Total (B)(3)	2	14,18,291	14,18,291	49.9000	0	0.0000	14,18,291
	Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)	3	15,02,634	15,02,634	52.8700	0	0.0000	15,02,634



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)	
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
	<b>Total</b>	<b>10</b>	<b>28,22,065</b>	<b>28,41,902</b>	<b>100</b>	<b>0</b>	<b>0.0000</b>	<b>28,41,902</b>

Note: The percentage of shareholding is calculated on the face value of shares.

\*\*Out of 13,19,431 fully paid up Equity Shares held by JMFL, 150 Equity Shares are held by it jointly with six other nominees and hence, the promoter is only one entity viz., JMFL and not seven promoters.

*\*The Company has vide offer letter dated September 27, 2018 invited subscription to upto 3,47,153 Equity Shares including 19,837 partly paid up Equity Shares by way of private placement and the offer period is open till November 30, 2018. Ms. Aparna Murthy Aiyar, one of the investors, is eligible to subscribe to 4,751 Equity Shares pursuant to such offer, up to November 30, 2018, which may result in changes to the capital structure.*

**Our top ten shareholders and the number of Equity Shares held by them as on November 02, 2018 are 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.	JMFL along with its nominees (fully paid up)	13,19,431	13,19,431	46.43%
	JMFL (partly paid up)	19,837	19,837	0.70%
2.	INH Mauritius I	13,84,087	13,84,087	48.70%
3.	Moraine Master Fund LP	84,343	84,343	2.97%
4.	Ms. Aparna Aiyar*	34,204	34,204	1.20%
	<b>TOTAL</b>	<b>28,41,902</b>	<b>28,41,902</b>	<b>100.00%</b>

Note: The percentage of shareholding is calculated on the face value of shares.

*\*The Company has vide offer letter dated September 27, 2018 invited subscription to upto 3,47,153 Equity Shares including 19,837 partly paid up Equity Shares by way of private placement and the offer period is open till November 30, 2018. Ms. Aparna Murthy Aiyar, one of the investors, is eligible to subscribe to 4,751 Equity Shares pursuant to such offer, up to November 30, 2018, which may result in changes to the capital structure.*

**The list of top ten debenture holders as on November 02, 2018 is as follows:**

S. No.	Name of holder	Aggregate amount (in ₹ million)	Address of the debenture holders*				
1	UTI Mutual Fund	3,588.0	UTI	Asset	Management	Company	Limited,

S. No.	Name of holder	Aggregate amount (in ₹ million)	Address of the debenture holders*
			Department of fund accounts, UTI Tower, GN block, Bandra Kurla Complex, Bandra East, Mumbai – 400051
2	HDFC Mutual Fund	3,500.0	HDFC Bank Limited Custody Services, Lodha I Think Techno Campus Off, Floor 8, next to Kanjurmarg Railway Station, Kanjurmarg East, Mumbai - 400042
3	Aditya Birla Mutual Fund	1,900.0	CITIBANK N.A. Custody Services, FIFC- 11th Floor, G Block, Plot C-54 and C-55, Bandra Kurla Complex, Bandra (East), Mumbai – 400098
4	Canara Bank	1,750.0	Treasury & Investment Division, Integrated Treasury Wing, 6th Floor, Canara Bank Building, C-14 G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
5	Reliance Mutual Fund	1,375.0	Deutsche Bank AG, DB House, Hazarimal Somani Marg, P.O.Box No. 1142, Fort, Mumbai - 400001
6	Aditya Birla Finance Limited	1,080.0	18th floor, tower one, One Indiabulls Centre, Jupiter Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013
7	Bank of Baroda	1,000.0	Specialized Integrated Treasury Branch, BST, 4th and 5th Floor, C-34 G-Block, Bandra Kurla Complex, Mumbai – 400051
8	IDFC Mutual Fund	850.0	Deutsche Bank AG, DB House, Hazarimal Somani Marg, Post Box No. 1142, Fort, Mumbai - 400001
9	Trust Capital Services India Private Limited	721.3	109/110, Balarama, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051.
	(a) Bank of India	500.0	Treasury Branch, Head office, Star House, 7th Floor, C-5, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051
	(b) Britannia Industries Limited	500.0	5/1 A Hungerford Street, Kolkata - 700017
10	(c) RBL Bank Limited	500.0	Vasant Vihar Branch, 23 Basant Lok Market Community Centre, New Delhi - 110057
	(d) Harsh Anand Jain	500.0	B 37 Sterling Apartments, 38 Peddar Road, Cumballa Hill, Mumbai - 400026

\*The addresses of the debenture holders have been obtained from the beneficiary position statement made available by the RTA viz., Karvy Computershare Private Limited.

### Debt to equity ratio

The debt to equity ratio prior to this Tranche II Issue is based on a total outstanding debt of ₹ 65,867.5 million and shareholder funds amounting to ₹ 26,656.1 million as on September 30, 2018. The debt to equity ratio post the Tranche II Issue (assuming subscription of NCDs aggregating to ₹ 12,500 million) would be 2.9 times, based on a total outstanding debt of ₹ 78,367.5 million and shareholders funds of ₹ 26,656.1 million as on September 30, 2018.

Particulars	(in ₹ million)	
	Prior to the Tranche II Issue (as of September 30, 2018)	Post the Issue
Long Term borrowings	50,031.0	62,531.0
Short Term borrowings	15,836.5	15,836.5
Total Debt	<b>65,867.5</b>	<b>78,367.5</b>
Share Capital	28.3	28.3
Reserves	26,627.8	26,627.8
Less: Miscellaneous Expenditure (to the extent not written off or adjusted)		
Total Shareholders' Funds	<b>26,656.1</b>	<b>26,656.1</b>
Debt Equity Ratio (No. of Times)#	2.5	2.9**

#The debt-equity ratio post the Tranche II Issue is indicative and is on account of assumed inflow of ₹ 12,500 million from the Tranche II Issue in the secured debt category as on September 30, 2018. The actual debt-equity ratio post the Tranche II Issue would depend upon the actual position of debt and equity on the date of allotment.

It is clarified that, except for the Equity Shares issued to our Promoter, no securities including shares of the Company were either purchased or sold by the Promoter, Promoter group, Directors of the Company and their relatives within 6 months immediately preceding the date of this Tranche II Prospectus.

The total promoter holding in terms of percentage reduced from 50.0100% to 47.1300%\* pursuant to allotment of 3,22,565 fully paid up Equity Shares and 19,837 partly paid up Equity Shares of the Company to the existing shareholders as well as Moraine Master Fund LP on September 28, 2018. Further, the Promoter holding is in compliance with the threshold limit of beyond 26% as prescribed by RBI.

\*The Company has vide offer letter dated September 27, 2018 invited subscription to upto 3,47,153 Equity Shares including 19,837 partly paid up Equity Shares by way of private placement and the offer period is open till November 30, 2018. Ms. Aparna Murthy Aiyar, one of the investors, is eligible to subscribe to 4,751 Equity Shares pursuant to such offer, up to November 30, 2018, which may result in changes to the capital structure.

The Company does not have an ESOP Scheme in place.

### Disclosures on existing financial indebtedness

The outstanding borrowings of the Company as on September 30, 2018<sup>#</sup> are as follows:

(In ₹ million)

S.No.	Nature of borrowings	Amount
1.	Secured borrowings*	52,607.3
2.	Unsecured borrowings**	13,650.0

\*Borrowing through Non-Convertible Debentures shown at face value without considering premium on issue ₹ 3.7 million.

\*\*Borrowing through commercial papers shown at face value without considering discount of ₹ 207.4 million

<sup>#</sup> Total borrowing is excluding effective interest rate impact amounting to ₹ 186.1 million

Set forth below, is a summary of the borrowings by our Company as at September 30, 2018 together with a brief description of certain significant terms of such financing arrangements.

#### A. Details of Secured Borrowings:

Our Company's secured borrowings as on September 30, 2018 amount to ₹ 52,607.3 million. The details of the individual borrowings are set out below:

##### 1. Cash Credit / WCDL facilities availed by the Company

(In ₹ million)

S. No.	Bank	Date of Sanction	Amount sanctioned*	Amount outstanding as on September 30, 2018
1.	State Bank of India	March 30, 2015	1,000.0	643.9
2.	HDFC Bank	March 01, 2016	200.0	51.3
3.	IDBI Bank	October 20, 2015	500.0	491.9
4.	Punjab National Bank	September 30, 2015	250.0	218.9
5.	Bank of Baroda	March 28, 2018	1,000.0	988.0
<b>Total</b>			<b>2,950.0</b>	<b>2,393.9</b>

\*Secured by way of a first pari passu charge on standard book debts / book receivables.

##### 2. Term Loans availed by the Company

(In ₹ millions)

S.No	Bank/ Financial institution	Date of sanction	Amount sanctioned*	Amount outstanding as on September 30, 2018	Repayment date / schedule	Penalty	Pre-payment
1.	Axis Bank Limited	March 23, 2017	1,000.0	600.0	Five equal half yearly installments from 12 months first date of	Non-payment of interest/installment on the due date will attract penal	In the event the borrower wants to prepay out of its own funds or out of inter-corporate deposits, there will

					disbursement	interest at 2% on the overdue interest/installment.	be no pre-payment charges.  However, in the event the borrower replaces the term loan with another term loan of a different bank, the prepayment of loan will be accepted on terms and conditions to be decided by the bank.
2.	State Bank of India**	October 17, 2015	500.0	27.4	18 equal monthly installment of 27.8 million each payable from 19th month after 18 months moratorium	Non-payment of interest/installment on the due date will attract penal interest at 1% on irregular portions up to occasions of default and thereafter on the entire outstandings.	NIL if prepaid from own sources, otherwise 2% per annum of the prepaid amount.
3.	State Bank of India	February 22, 2016	1,500.0	1,500.0	18 equal monthly installments of 83.3 million after moratorium of 30 months from the date of first disbursement	Non-payment of interest/installment on the due date will attract penal interest at 1% on irregular portions up to occasions of default and thereafter on the entire outstandings.	NIL, if it is at the instance of the lender or from additional equity.  1% per annum in case of takeover by other bank or financial institution.
4.	State Bank of India	January 30, 2017	2,250.0	2,250.0	18 equal monthly installments of 125.0 million after moratorium of 30 months from the date of first disbursement	Non-payment of interest/installment on the due date will attract penal interest at 1% on irregular portions up to occasions of default and thereafter on the entire outstandings.	NIL, if it is at the instance of the lender or from additional equity or from internal accruals.  1% p.a. in case of takeover by other Bank or financial institution.
5.	State Bank of India***	March 22, 2016	750.0	450.0	10 equal quarterly installments of 75.0 million starting from 21st months after moratorium of 18 months	Non-payment of interest/installment on the due date will attract penal interest at 1% on irregular portions up to occasions of default and thereafter on the entire outstandings.	NIL if prepaid from own sources, otherwise 2% p.a. of the prepaid amount.
6.	Syndicate Bank	September 22, 2015	1,000.0	200.0	5 equal quarterly installment to start from the	Penal interest at 0.50% per annum on the outstanding	NIL after notice of seven days, otherwise 2% per annum on

					end of 21st months after moratorium of 18 months	liability shall be collected if the audited financial statements are not submitted within 7 months from the date of closure of the financial year.	outstanding balance for remaining period of loan.
7.	Syndicate Bank	September 26, 2017	2,000.0	2,000.0	8 equal quarterly installment after moratorium of 24 months	Penal interest at 0.50% per annum on the outstanding return on investment shall be collected if the audited financial statements are not submitted within 7 months from the date of closure of the financial year.	NIL if prepaid from own sources, along with CA Certificate confirming prepayment is from own source. In all other cases, the borrower is required to pay commitment charges, as per the policy of the bank.
8.	Bajaj Finance Limited <sup>#</sup>	February 26, 2018	750.0	750.0	4 equal quarterly installments after moratorium of 24 months	In case of a delay or default in repayment of any facility, the Company shall not allow any payout by way of interest to other subordinate lenders by way of dividend to shareholders.	NIL after notice of seven days.
9.	Bajaj Finance Limited <sup>#</sup>	September 08, 2017	500.0	500.0	4 equal quarterly installments after moratorium of 24 months	In case of a delay or default in repayment of any facility, the Company shall not allow any payout by way of interest to other subordinate lenders by way of dividend to shareholders.	NIL after notice of 30 days.
10.	Bank of Baroda	March 01, 2016	1,000.0	334.0	18 monthly installments commencing from 19th Month from the date of first disbursement after moratorium of 18 months	Penal interest at 2% per annum due to default in payment of interest or principal, non/delayed submission of requisite data and default in observing financial covenants.	NIL if prepaid from own sources, otherwise 2% per annum.
11.	Bank of Baroda	March 10, 2017	1,500.0	1,500.0	8 quarterly installments of 187.5 million after moratorium of	Penal interest at 2% per annum due to default in payment of	NIL if prepaid from own sources, otherwise 2% per annum.

					24 months	interest or principal, non/delayed submission of requisite data and default in observing financial covenants.	
12.	Bank of Baroda	March 28, 2018	2,500.0	2,500.0	14 quarterly installments after moratorium of 6 months with door-to-door tenor of 48 months	Penal interest at 2% per annum due to default in payment of interest or principal, non/delayed submission of requisite data and default in observing financial covenants.	NIL if prepaid from own sources, otherwise 2% per annum.
13.	Canara Bank	March 20, 2017	2,000.0	1,997.3	10 equated quarterly instalments, after a moratorium of 18 months	10 equated quarterly instalments, after a moratorium of 18 months	NIL after notice of 30 days. On any other date, prepayment charges of 2% over and above the applicable rate shall be applied.
14.	The Federal Bank Ltd	December 09, 2016	500.0	416.6	6 quarterly installments after moratorium of 18 months from the date of first disbursement	2% per annum for delay in service of interest or principal.	NIL if repaid from own sources after 1 year. In the event of pre-payment within one year, 1% per annum. The rate would be 2% per annum in the event of prepayment on account of takeover by other banks.
15.	HDFC Bank Limited	March 01, 2016	400.0	66.7	Payable in 12 equal quarterly installments	2% per annum for all overdues/delays and of any monies payable.	NIL if prepaid from own sources with notice of 30 days along with a certificate from a chartered accountant, confirming prepayment is from the borrower's own sources. Otherwise the rate would be 2% per annum of the amount prepaid using borrowed funds.
16.	HDFC Bank Limited	September 20, 2017	500.0	354.2	Tenor : 36 months with principal payable quarterly	2% per annum for all overdues/delays and of any monies payable.	NIL.
17.	HDFC Bank Limited	March 29, 2018	1,200.0	1,000.0	Tenor : 36 months with principal payable quarterly	2% per annum for all overdues/delays and of any monies payable.	-
18.	IDBI Bank	April 07, 2016	1,000.0	450.0	10 equal quarterly installments of after	Liquidated damages at 2% per annum due to default in	Prepayment to be governed by the guidelines applicable within

					moratorium of 18 months	payment of any principal or installment on the amounts defaulted.	the bank at that point of time.
19.	Punjab National Bank	September 30, 2015	750.0	525.0	10 equal monthly installment after 30 months moratorium	Any adverse deviation by more than 20% from the levels stipulated in the sanction letter for a minimum period of one year will attract penalty at 1% per annum.  Default in payment of interest or installment will attract penalty at 2% per annum.	The borrower agrees and authorises the bank to levy and recover prepayment charges at 2% of the prepaid amount of the term loan. No prepayment charges would be levied in case such prepayment was effected from the borrower's own source of fund.
20.	Punjab National Bank	March 17, 2016	1,500.0	1,500.0	18 equal monthly installment after 30 months moratorium	Any adverse deviation by more than 20% from the levels stipulated in the sanction letter for a minimum period of one year will attract penalty at 1% per annum.  Default in payment of interest or installment will attract penalty at 2% per annum.	The borrower agrees and authorises the bank to levy and recover prepayment charges at 2% of the prepaid amount of the term loan. No prepayment charges would be levied in case such prepayment was effected from the borrower's own source of fund.
21.	Punjab National Bank	March 17, 2017	1,000.0	1,000.0	30 equal monthly installment after 18 months moratorium	Any adverse deviation by more than 20% from the levels stipulated in the sanction letter for a minimum period of one year will attract penalty at 1% per annum.  Default in payment of interest or installment will attract penalty at 2% per annum.	The borrower agrees and authorises the bank to levy and recover prepayment charges at 2% of the prepaid amount of the term loan. No prepayment charges would be levied in case such prepayment was effected from the borrower's own source of fund.
22.	RBL Bank Limited	September 25, 2017	1,500.0	1,500.0	10 Quarterly installments after moratorium of 18 months starting from 21st month of	Penal interest at 2% per annum for non-submission of requisite data, non-perfection	NIL, if prepaid from equity raised by the borrower after 24 months from disbursement, along with a certificate from a

					disbursement	of security and non-compliances with facility documents.	chartered accountant, confirming that the prepayment is from the borrower's own source. Otherwise, the charges would be 2% per annum of the amount prepaid.
23.	IDFC Bank Limited	December 29, 2017	1,500.0	1,250.0	6 equal half yearly installments	Nil.	Nil.
24.	Indusind Bank Limited	December 29, 2017	1,000.0	1,000.0	24 equal monthly installments after moratorium of 12 months	One year MLC rate along with penal interest at 2% per annum for non-compliance of sanction terms and irregularities in the account.	Voluntary prepayment penalty of 1% if prepayment is made before one year. However, prepayment within one year without penalty would be allowed if the pricing is not acceptable to the borrower.
25.	Vijaya Bank	February 14, 2018	2,000.0	2,000.0	10 equal quarterly installment after moratorium of 18 months	In case of any default in the payment of loans and advances or in the repayment of interest, the bank will have the right to publish the name of the Company and its directors as willful defaulters.	Borrower agrees to pay commitment charges as per the policy of the bank in case of prepayment.
<b>TOTAL</b>			<b>30,100.0</b>	<b>25,671.1</b>			

\*Secured by way of a first pari passu charge on standard book debts / book receivables.

\*\*Previously State Bank of Hyderabad, prior to the merger with State Bank of India.

\*\*\*Previously State Bank of Mysore, prior to the merger with State Bank of India.

# secured by first pari passu charge over the book receivables / book debts which are not offered to the Banks for their credit facilities.

The facility documents executed by the Company stipulate certain events as "Events of Default", pursuant to which the Company may be required to immediately repay the entire loan facility availed by it and be subject to additional penalties by the relevant lenders. Such events include, but are not limited to:

1. Downgrading in the credit ratings prescribed by the terms of the sanction letter;
2. Failure to maintain CRAR at the levels stipulated by the RBI;
3. Any non-compliance with the norms of the RBI;
4. Any cross-default pursuant to the terms of any other loan agreement;
5. Default in payment of interest for more than the number of days prescribed in the facility documents;
6. Any inclusion of the Company or its Directors in the list of willful defaulters of the RBI;
7. Any insolvency of the Company;
8. Any re-organisation, or change in the management and control of the Company without obtaining the consents of the lenders;
9. Cessation of business;



10. Attachment or distress proceedings against the assets of the Company; and
11. Repudiation, termination, unenforceability or cancellation of any licence.

Further, none of our term loans provide for any rescheduling of the term of the facilities.

### 3. Secured Non-Convertible Debentures

- 3.1 Our Company has issued on private placement basis, listed secured redeemable non-convertible debentures of face value ₹ 10,00,000 each under various series of which face value ₹ 17,042.0 million and through public issue of listed secured redeemable non-convertible debentures of face value ₹ 1,000.0 each under Tranche I of which face value ₹ 7,500.0 million is cumulatively outstanding as on September 30, 2018. The details of all the outstanding debentures are set forth below:\*

Debenture Series	Tenor/ period (days)	Coupon (p.a.) in %	Amount (₹ in Million)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	ISIN
Tranche I	1092	Zero Coupon	30.0	February 05, 2016	February 01, 2019	IND AA	INE651J07093
Tranche J	2008	9.70	200.0	February 09, 2016	August 09, 2021	ICRA AA / IND AA	INE651J07101
Tranche K	2008	9.70	100.0	February 26, 2016	August 26, 2021	ICRA AA / IND AA	INE651J07119
Tranche L	1128	Zero Coupon	44.0	March 01, 2016	April 03, 2019	IND AA	INE651J07127
Tranche M	1125	Zero Coupon	100.0	March 16, 2016	April 15, 2019	IND AA	INE651J07135
Tranche N	1126	Zero Coupon	35.0	March 22, 2016	April 22, 2019	IND AA	INE651J07143
Tranche P	1162	10.50	500.0	March 30, 2016	June 05, 2019	IND AA	INE651J07168
Tranche Q	1106	Zero Coupon	54.0	April 11, 2016	April 22, 2019	IND AA	INE651J07176
Tranche R	1091	Zero Coupon	78.0	April 29, 2016	April 25, 2019	IND AA	INE651J07184
Tranche S	1826	9.50	50.0	May 06, 2016	May 06, 2021	ICRA AA / IND AA	INE651J07192
Tranche T	1826	9.50	100.0	May 24, 2016	May 24, 2021	ICRA AA / IND AA	INE651J07200
Tranche U	1826	9.50	100.0	May 31, 2016	May 31, 2021	ICRA AA / IND AA	INE651J07218
Tranche V-Option I	1062	Zero Coupon	62.0	June 16, 2016	May 14, 2019	IND AA	INE651J07226
Tranche V-Option II	1076		66.0		May 28, 2019		INE651J07234
Tranche V-Option III	1097		50.0		June 18, 2019		INE651J07242
Tranche W-Option II	1061	9.7665	100.0	July 15, 2016	June 11, 2019	IND AA	INE651J07267
Tranche W-Option III	1095	9.78	75.0		July 15, 2019		INE651J07275
Tranche W-Option IV	1082	Zero Coupon	25.0		July 02, 2019		INE651J07283
Tranche X-Option I	1095	9.70	1,000.0	August 30, 2016	August 30, 2019	ICRA AA / IND AA	INE651J07291
Tranche X-Option II	1126	9.69	1,000.0		September 30, 2019		INE651J07309
Tranche Y-Option I	1064	Zero Coupon	110.0	September 06, 2016	August 06, 2019	ICRA AA / IND AA	INE651J07317
Tranche Y-Option II	1085	Zero Coupon	57.0		August 27, 2019		INE651J07325
Tranche Z-Option I	1063	Zero Coupon	65.0	October 14, 2016	September 12, 2019	ICRA AA / IND AA	INE651J07333
Tranche Z-Option II	1075		105.0		September 24, 2019		INE651J07341
Tranche Z-Option III	1089		50.0		October 08, 2019		INE651J07358
Tranche Z-Option IV	1110		30.0		October 29, 2019		INE651J07366
Tranche AA	1170	Zero Coupon	46.0	January 23, 2017	April 07, 2020	ICRA AA / IND AA	INE651J07374

Debtenture Series	Tenor/ period (days)	Coupon (p.a.) in %	Amount (₹ in Million)	Date of Allotment	Redemption Date/ Schedule	Credit Rating	ISIN
Tranche AB	1220	Zero Coupon	57.0	February 27, 2017	July 01, 2020	ICRA AA / IND AA	INE651J07382
Tranche AC	1155	Zero Coupon	37.0	March 06, 2017	May 04, 2020	ICRA AA / IND AA	INE651J07390
Tranche AD- Option I	1096	9.25	500.0	March 23, 2017	March 23, 2020	ICRA AA / IND AA	INE651J07408
Tranche AD- Option II	1826	9.00	100.0		March 23, 2022		INE651J07416
Tranche AD- Option III	1096	Zero Coupon	500.0		March 23, 2020		INE651J07424
Tranche AD- Option IV	1140	Zero Coupon	20.0		May 06, 2020		INE651J07432
Tranche AE	1822	9.20	700.0	March 29, 2017	March 25, 2022	ICRA AA / IND AA	INE651J07440
Tranche AF	1099	Zero Coupon	500.0	June 02, 2017	June 05, 2020	ICRA AA / IND AA	INE651J07457
Tranche AG	1461	9.05	1,750.0	June 15, 2017	June 15, 2021	ICRA AA / IND AA	INE651J07465
Tranche AH	1096	9.05	300.0	June 22, 2017	June 22, 2020	ICRA AA / IND AA	INE651J07473
Tranche AI- Option I	730	8.75	1,250.0	September 12, 2017	September 12, 2019	ICRA AA / IND AA	INE651J07481
Tranche AI- Option II	1099	Zero Coupon	250.0		September 15, 2020		INE651J07499
Tranche AJ	1096	9.15	500.0	December 28, 2017	December 28, 2020	ICRA AA / IND AA	INE651J07507
Tranche AK	1071	9.15	179.0	January 22, 2018	December 28, 2020	ICRA AA / IND AA	INE651J07507
Tranche AL- Option I	1278	Zero Coupon	500.0	March 12, 2018	September 10, 2021	ICRA AA / IND AA	INE651J07515
Tranche AL- Option II	1369	Zero Coupon	200.0		December 10, 2021		INE651J07523
Tranche AL- Option III	1149	Zero Coupon	135.0		May 04, 2021		INE651J07531
Tranche AM- Option I	715	9.3037	1,250.0	March 22, 2018	March 06, 2020	ICRA AA / IND AA	INE651J07549
Tranche AM- Option II	1181	Zero Coupon	1,000.0	March 22, 2018	June 15, 2021		INE651J07556
Tranche AM- Option III	732	9.3133	2,000.0	March 22, 2018	March 23, 2020		INE651J07564
Tranche AN- Option I	1096	9.3606	400.0	March 23, 2018	March 23, 2021	ICRA AA / IND AA	INE651J07572
Tranche AN- Option II	1180	Zero Coupon	149.0	March 23, 2018	June 15, 2021		INE651J07556
Tranche AO- Option I	1177	Zero Coupon	51.0	March 26, 2018	June 15, 2021	ICRA AA / IND AA	INE651J07556
Tranche AO- Option II	1093	9.3606	28.0	March 26, 2018	March 23, 2021		INE651J07572
Tranche AP	1133	Zero Coupon	454.0	March 28, 2018	May 04, 2021	ICRA AA / IND AA	INE651J07531
Tranche 1-Option I ^	1157	9.25	1,165.2	June 07, 2018	August 07, 2021	ICRA AA / IND AA	INE651J07580
Tranche 1-Option II ^	1157	Zero Coupon	243.9	June 07, 2018	August 07, 2021		INE651J07598
Tranche 1-Option III ^	1826	9.50	3,653.1	June 07, 2018	June 07, 2023		INE651J07606
Tranche 1-Option IV ^	1826	9.11	170.3	June 07, 2018	June 07, 2023		INE651J07614
Tranche 1-Option V ^	3653	9.75	2,148.1	June 07, 2018	June 07, 2028		INE651J07622
Tranche 1-Option VI ^	3653	9.34	119.4	June 07, 2018	June 07, 2028		INE651J07630
Total			24,542.0				

\*Above debentures are fully secured by pari passu charge over the book receivables / book debts which are not offered to the Banks for their credit facilities and a pari passu charge over identified immovable property.

^ Public issue of NCD through Tranche I with face value of ₹ 1,000.0 each under the Shelf prospectus amount of Rs. 20,000.0 million.

#### 4. **Other Secured Borrowings**

Nature	Name of Lessor	Amount (₹ in Million)	Repayment Schedule
Finance Lease	ORIX Leasing & Financial Services India Limited	0.3	₹ 32,507/- payable per month

## B. Details of Unsecured Loans

Our Company has ₹ 13,650.0 million unsecured borrowings as on September 30, 2018. The details of the individual borrowings are set out below.

### 1. Subordinated Debts

Our Company has not issued any subordinated debt that is outstanding as on September 30, 2018

Our Company has not issued on private placement basis, any rated unsecured, redeemable non-convertible listed subordinated debt that is outstanding as on September 30, 2018.

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

Our Company does not have any borrowings from directors and relatives of directors as on September 30, 2018 which are in the nature of demand loans and are unsecured.

### 3. Commercial Papers

Our Company has issued commercial papers of the face value ₹ 5,00,000 aggregating to a total face value ₹ 13,650.0 million as on September 30, 2018. The details of the commercial papers are set forth below:

Sr. No.	ISIN Numbers	Amount (₹in Million)*	Maturity Date
1	INE651J14AC2	500.0	12-Oct-18
2	INE651J14AA6	250.0	15-Oct-18
3	INE651J14AA6	250.0	15-Oct-18
4	INE651J14AA6	350.0	15-Oct-18
5	INE651J14AA6	150.0	15-Oct-18
6	INE651J14AE8	2500.0	26-Oct-18
7	INE651J14AB4	500.0	29-Oct-18
8	INE651J14AB4	500.0	29-Oct-18
9	INE651J14AG3	250.0	03-Dec-18
10	INE651J14AG3	250.0	03-Dec-18
11	INE651J14974	1000.0	07-Dec-18
12	INE651J14974	1000.0	07-Dec-18
13	INE651J14982	500.0	14-Dec-18
14	INE651J14982	1000.0	14-Dec-18
15	INE651J14AF5	1000.0	19-Dec-18
16	INE651J14AH1	1000.0	24-Dec-18
17	INE651J14792	500.0	27-Dec-18
18	INE651J14800	150.0	02-Jan-19
19	INE651J14875	1000.0	05-Mar-19
20	INE651J14867	1000.0	08-Mar-19
<b>Total</b>		<b>13,650.0</b>	

\*Borrowing through commercial papers shown at face value without considering discount of ₹ 207.4 million

## C. Restrictive Covenants under our Financing Arrangements:

Some of the restrictive covenants impacting the Company under certain Financing Arrangements include:

- During the currency of the credit facility, the Company cannot without the consent of the lender conclude any fresh secured borrowing which would lead to dilution of security cover below the stipulated limits.

2. The Company cannot create or permit to subsist any security interest over any of the receivables / security hereunder, unless the security interest created pursuant to any security document or such other security as may be created is with the prior written approval of the lender.
3. The Company is required to inform the lender of any borrowing arrangement either secured or unsecured with any other bank, financial institution and company or otherwise or accept deposits apart from the arrangement indicated in the funds flow statements submitted to the bank from time to time and approved by the lender, up to a deviation of 20% in CMA, immediately upon entering into such arrangement.
4. The prior written consent of the lender obtained by serving a written notice of not less than 30 (thirty) days is required for the Company to create any charge, lien or encumbrance over its undertaking or any part thereof in favour of any financial institution, bank, company, firm or persons, except in the ordinary course of business, till the lender's stipulated asset cover is maintained.
5. The prior written consent of the lender obtained by serving a written notice of not less than 30 (thirty) days is required for the Company to enter into any contractual obligation of a long-term nature or affecting the lender financially to a significant extent except in the ordinary course of business.
6. The Company cannot during the continuance of the term loan agreement sell, dispose of, pledge or otherwise charge or encumber the assets in case the security cover falls below the cover required by the lender or permit any act whereby the security expressly given to the lender shall in anyway be prejudicially affected.

Further, under certain financial arrangements entered into by the Company, the Company is not permitted to do or allow anything that may prejudice the security while the borrower remains indebted or liable to the lender in any manner. Further, under certain arrangements, the Company is not permitted to resort to outside borrowings without the prior written consent in case there is an event of default or if the external rating of the Company slips below AA, whichever triggers first.

The Company is also not permitted to do or allow anything that may prejudice the security under certain financial arrangements, while the borrower remains indebted or liable to such lender in any manner.

**D. 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 Shelf Prospectus, there has been no delay and /or default in servicing of debt/interest or 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.. The Company has also not issued any corporate guarantee.

**E. Details of any outstanding borrowings taken/ debt securities issued where taken/ issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on September 30, 2018**

Our Company has Nil outstanding borrowings taken / debt securities issued where taken / issued (a) for consideration other than cash, whether in whole or in part, (b) at a premium or discount, or (c) in pursuance of an option as on September 30, 2018. Certain secured borrowings through non-convertible debentures show at face value without considering premium on issue of ₹ 3.7 million, which are available in Note 4 of the "*Financial Information*" on page 207 of the Shelf Prospectus and on page 146 of this Tranche II Prospectus, and borrowings through commercial papers shown at face value without considering discount of ₹ 207.4 million, details of which are available in paragraph B (3) above.

**F. Details of any inter-corporate loans, deposits and other borrowings**

As of September 30, 2018, our Company does not have any outstanding inter-corporate loans or deposits.

**G. Details of rest of borrowings if any, including hybrid debt instruments such as foreign currency convertible bonds, convertible debentures, preference shares, as on September 30, 2018**

Our Company does not have any other borrowings including hybrid debt instruments such as foreign currency convertible bonds, convertible debentures and preference shares as on September 30, 2018.

**Summary of Key Provisions of Articles of Association**

Pursuant to the Companies Act and the SEBI ICDR Regulations the main provisions of our Articles of Association relating to, among others, voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Capitalised terms used in this section have the meaning that has been to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below:

3.	<b>SHARE CAPITAL</b>
	The authorized share capital of the Company is as set out in Clause V of the Memorandum.
3A	<p><b>JMFL PARTLY PAID UP SUBSCRIPTION SHARES</b></p> <p>i. JMFL Partly Paid Up Subscription Shares shall, upon such payment in full on the Final Call Date, rank pari passu with the then outstanding issued Equity Shares with respect to all stock activities including, but not limited to, voting rights and all other corporate actions, if any.</p> <p>ii. The Company's entitlement to call for the payment of the unpaid amounts on the JMFL Partly Paid Up Subscription Shares shall be exercised and be subject to the following:</p> <p>a. JMFL shall remit the called monies within a period of 30 (thirty) days from the relevant Call Date.</p> <p>b. Unless the Company makes a call for the unpaid amounts of the shares in accordance with the terms of these Articles, it shall not have any lien over the shares and shall not be entitled to sell or dispose the shares in any manner;</p> <p>c. JMFL shall be entitled at all times, and not later than March 31, 2020, pay the unpaid amounts on the JMFL Partly Paid Up Subscription Shares, in accordance with applicable Law and the relevant provisions of these Articles, irrespective of whether a call has been made or not, and the Company shall record the relevant portion of the JMFL Partly Paid Up Subscription Shares as applicable;</p> <p>d. JMFL shall cause the Company to make relevant calls for the unpaid amounts of the relevant portion of the JMFL Partly Paid Up Subscription Shares no later than the Final Call Date; and</p> <p>e. If JMFL fails to make payment of the unpaid amounts of the relevant portion of the JMFL Partly Paid Up Subscription Shares by March 31, 2020, then the Company shall forfeit the JMFL Partly Paid Up Subscription Shares.</p>
4.	<b>DEMATERIALIZATION OF SHARES</b>
4.1	<p><b>Dematerialisation of Securities</b></p> <p>Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its Securities and offer the same in a dematerialised form in pursuance of the Depositories Act, 1996.</p>
4.2	<p><b>Options for Members</b></p> <p>Every member shall have the option to hold the Securities either in the physical mode</p>

	<p>through the share certificates or to hold the Securities with a Depository in electronic mode. A person who is the Beneficial Owner of any of the Securities can at any time opt out of a Depository, if permitted by law, in respect of such Securities in the manner provided by the Depositories Act, 1996 or any amendments thereto and the Company shall, in the manner and within the time prescribed, issue to such Beneficial Owner, the certificates for such Securities.</p> <p>If a person opts to hold his / its Securities with a Depository, the Company shall intimate such Depository, the particulars of such Securities held, and on receipt of the information, the Depository shall enter in its record the name of the member as the Beneficial Owner of such Securities.</p>
4.3	<p><b>Securities in Depositories to be fungible form</b></p> <p>Save as provide in the Act, all Securities held by a Depository shall be dematerialised and be in fungible form.</p>
4.4	<p><b>Rights of Depositories and Beneficial Owners</b></p> <p>(i) Notwithstanding anything to the contrary contained in the Act or these Articles, Depository(ies) shall be deemed to be registered owner for the purpose of effecting transfer of ownership of Securities on behalf of the Beneficial Owners.</p> <p>(ii) Save as otherwise provided in (i) above, the Depository(ies) or the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>(iii) Every person holding Securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member. The Beneficial Owner of any Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his / its securities which are held by a Depository.</p>
4.5	<p><b>Service of Documents</b></p> <p>Notwithstanding anything in the Act or these Articles to the contrary, where the Securities are held by a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode by delivery of floppies or discs.</p>
4.6	<p><b>Transfer of Securities</b></p> <p>Nothing contained in the Act, which provides that a transfer shall not be registered except on production of instrument of transfer or these Articles shall apply to a transfer of any of the Securities effected by a transferor and transferee both of whom are entered as Beneficial Owners in the records of a Depository.</p>
4.7	<p><b>Allotment of Securities dealt with in a Depository</b></p> <p>Notwithstanding anything contained in the Act or these Articles, where Securities are dealt with in a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such Securities.</p>
4.8	<p><b>Distinctive number of Securities held by a Depository</b></p> <p>Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to the Securities held by a Depository.</p>
4.9	<p><b>Register and Index of Beneficial Owners.</b></p> <p>The register and index of Beneficial Owners maintained by a Depository under the Depositories Act, 1996, shall be deemed to be the register and index of members for the purposes of these Articles.</p>

	Except as specifically provided in these Act, the provisions relating to joint holders of shares, calls, lien on shares, forfeiture of shares and transfer and transmission of shares shall be applicable to shares held by a depository so far as they apply to shares held in physical form subject to the provisions of the Depository Act, 1996.
5.	<b>BOARD AND SHAREHOLDERS MEETING</b>
5.1	<b>First Directors</b> a) Sri. Nalin L. Mehta b) Sri. Mahendra N. Kampani c) Sri. Nimesh N. Kampani d) Sri. Belman T. Anchan
5.2	<b>Board</b>
5.2.1	The Board shall initially consist of 5 (five) Directors.
5.2.2	So long as the Investor along with its Affiliates, holds not less than 15% (fifteen per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis, the Investor shall have a right to (i) nominate for appointment by the Board 2 (two) Directors (“ <b>Investor Directors</b> ”); and (ii) designate VP as non-executive Chairman and HA as non- executive Vice Chairman, so long as VP and HA are Directors.
5.2.3	Subject to Article 7.4 and so long as JMFL along with its Affiliates, holds not less than 15% (fifteen per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis and is designated as promoter of the Company, JMFL shall have a right to nominate for appointment by the Board a majority of the Directors, initially 3 (three) Directors (“ <b>JMFL Directors</b> ”) and designate 1 (one) or more of JMFL Directors for appointment by the Board as Managing Director and Vice Chairman so long as they are Directors. In the event, JMFL ceases to be a promoter, so long as it, along with its Affiliates, holds not less than 15% (fifteen per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis, it shall have the right to nominate for appointment 2 (two) Directors and such Directors shall not, as a matter of right, be entitled to be appointed on any of the committees of the Board.
5.2.4	In addition, the Board may appoint such number of independent directors that are required in terms of any regulatory requirements and commensurate with business needs and are mutually acceptable to JMFL and the Investor.
5.2.5	Subject to applicable Law in India, the Investor Director who is designated by the Investor as non-executive Chairman and the JMFL Director who is designated by JMFL as Managing Director shall not be liable to retire by rotation. However, in the event any of the JMFL Director or Investor Director becomes liable to retire by rotation, JMFL and the Investor shall vote in favour of the re-appointment of the nominee of JMFL /Investor (as the case may be) as a Director.
5.3	<b>Appointment of Director</b>
5.3.1	JMFL shall use all its rights, including its rights as and in respect of Directors and their voting rights in relation to the Equity Shares, to effectuate the appointment of the Investor Directors as contemplated under these Articles. Likewise, the Investor shall use all its rights, including its rights as and in respect of Directors and its voting rights in relation to the Equity Shares, to effectuate the appointment of the JMFL Directors as contemplated under these Articles.
5.3.2	Subject to Articles 5.4.2 to 5.4.4 and 5.17, JMFL or the Investor may require the removal of any of their nominee Directors at any time and shall be entitled to nominate another representative as a Director in place of the Director so removed. Each Party shall exercise their rights in such manner so as to cause the appointment and removal of the representative nominated by the other Party in accordance with these Articles.

5.4	<b>Key Positions</b>
5.4.1	<p><u>Managing Director</u></p> <p>So long as JMFL has the right to nominate majority on the Board in accordance with Article 5.2.3, JMFL shall be entitled to nominate for appointment by the Board, the Managing Director of the Company, who shall not be liable to retire by rotation and the Managing Director so nominated by JMFL shall be appointed by the Board as such. Subject to the applicable Law in India, the Managing Director shall hold office for such period and on such terms and conditions (including remuneration) as are determined by the Board. The Company shall enter into an agreement with the Managing Director setting out the terms and conditions of his appointment as approved by the Board. The Managing Director so appointed, shall be entrusted with substantial powers of management of the Company and the day to day operations of the Company, subject to the superintendence, control and direction of the Board.</p>
5.4.2	<p><u>Chairman</u></p> <p>(a) So long as the Investor holds not less than 15% (fifteen per cent) of the total issued and paid up capital of the Company on a Fully Diluted Basis and VP is an Investor Director, the Investor shall be entitled to designate VP for appointment by the Board as the non-executive Chairman on the Board and the Board shall appoint him as such. Subject to the approval of the Reserve Bank of India and the shareholders of the Company in a general meeting, VP shall be the first non-executive Chairman of the Company for a period of 5 (five) years from the Final Closing Date or the date of receipt of Reserve Bank of India approval, whichever is later. VP shall not, so long as he is the non-executive Chairman of the Board, be liable to retire by rotation. VP shall not be removed from the office of the non-executive Chairman prior to the expiry of the aforesaid 5 (five) year term so long as he is a Director, unless: (a) the Investor ceases to hold at least 15% (fifteen per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis, or (b) a regulatory directive demands such removal, or (c) VP voluntarily resigns or ceases to be a Director in accordance with the provisions of the Act, or (d) accepts employment as an executive with a bank or financial institution having operations in India, whichever is earlier. VP shall otherwise devote such time to the affairs of the Company as is commensurate with his role as non-executive Chairman. The non-executive Chairman shall preside at all meetings of the Board, and at all general meetings of the Company (which, in each case, may include participation by telephone, if permissible by Law or video conference), except where he is unable to attend any meeting of the Board or general meeting of the Company. If he is directly or indirectly interested with respect to any item of business for consideration at a meeting of the Board or at any general meeting of the Company in which case he shall abstain from voting and participating in the deliberations of the Board or the general meeting with regard thereto. The non-executive Chairman shall not be entitled to a second or casting vote, in the event of an equality of votes, either at a meeting of the Board or at a general meeting of the Company. The terms and conditions of VP's appointment shall be as stated in the separate letter to be addressed by the Company to VP in a form to be mutually agreed between the Company and VP ("<b>VP's Appointment Letter</b>").</p> <p>(b) So long as JMFL has the right to nominate majority on the Board in accordance with Article 5.2.3, upon VP ceasing to be the Chairman, JMFL shall have the right to designate the Chairman to be appointed as such by the Board from time to time.</p>
5.4.3	<p><u>Vice Chairman</u></p> <p>(a) So long as the Investor holds not less than 15% (fifteen per cent) of the total issued and paid up capital of the Company on a Fully Diluted Basis, and HA is an Investor Director, the Investor shall be entitled to designate HA for appointment by the Board as the non-executive Vice-Chairman on the Board and the Board shall appoint him as such. HA shall have the primary role for VPA, and for the Investor and its investors in interfacing with the Company and with its management in connection with the</p>



	<p>governance and operations of the Company. HA shall render active assistance in the functioning of the Company and shall provide critical inputs for its operations.</p> <p>(b) So long as JMFL has the right to nominate majority on the Board in accordance with Article 5.2.3, upon HA ceasing to be the Vice-Chairman for any reason whatsoever, JMFL shall have the right to designate the Vice-Chairman to be appointed as such by the Board from time to time.</p> <p>(c) Neither JMFL nor the Investor shall be entitled to remove HA as Vice Chairman or the Vice Chairman designated by JMFL, as the case maybe, so long as the said person is a Director.</p>
5.4.4	The terms and conditions of appointment of non-executive Vice Chairmen of the Company including their responsibilities shall be as per their respective terms and conditions of engagement to be separately entered into with the Company (engagement letter of HA appointing him the non-executive Vice Chairman shall hereinafter be referred to as “ <b>HA’s Appointment Letter</b> ”).
5.4.5	The Chief Operating Officer (“ <b>COO</b> ”), Chief Financial Officer (“ <b>CFO</b> ”), and Chief Risk Officer (“ <b>CRO</b> ”) of the Company shall be appointed by the Nomination and Remuneration Committee to be constituted by the Board.
5.4.6	The Managing Director, COO, CFO and CRO shall be responsible for the day to day management of the Company, subject to the superintendence, control and direction of the Board and Committees thereof.
<b>5.5</b>	<b>Directors</b>
5.5.1	The Directors (or their alternate) shall not be required to hold any qualification shares in the Company.
5.5.2	Subject to the relevant provisions of the Act, the Directors (or his/her alternate) shall be paid reasonable out of pocket expenses, by the Company for attending general meetings, Board meetings and meetings of any committee of the Board.
5.5.3	The Company shall ensure that the Directors other than the Managing Director and the executive Director(s) of the Company are neither specified as “officers in default” nor deemed to be so for purposes of the Act nor be charged with responsibility of complying with the provisions of the Act. If notwithstanding the above, any notice or proceedings are filed against any such Directors by reason of him/her being regarded as an “officer in default”, the Company shall take all necessary steps to ensure that the names of the concerned Directors are excluded/deleted and the charges/proceedings, if any, against the concerned Directors are withdrawn and shall also take all steps to defend the Directors against such proceedings and the Company shall, subject to the relevant provisions of the Act, pay all costs, damages, fines, levies etc. that may be levied against the concerned Directors.
<b>5.6</b>	<b>Non-Executive Directors</b>
5.6.1	The Investor Directors shall be non-executive Directors unless otherwise agreed to between the Parties and, as such, all non-executive Directors including the Investor Directors shall have no responsibility for the day-to-day management of the business, affairs or activities of the Company (except as otherwise provided).
5.6.2	The non-executive Directors of the Company shall not be, to the maximum extent permissible under applicable Law, held liable by the Company or any third party for or on account of any act or omission to act by any such person while serving as a Director of the Company unless such act or omission to act is in bad faith or wilful misconduct.
<b>5.8</b>	<b>Indemnification of Directors</b>
5.8.1	The Company shall indemnify the Directors against:

	<p>(a) any act, omission or conduct (including, without limitation, contravention of any applicable Law in India) of or by the Company or its officials, employees, managers, representatives or agents as a result of which, in whole or in part, the Director is/are made a party to, or otherwise incurs any costs, charges, expenses, damages or loss, including loss pursuant to or in connection with any action, suit, claim or proceeding arising out of or relating to any such act, omission or conduct; and</p> <p>(b) any loss arising from any action or omission to act by the Directors at the request of or with the consent of the Company or their officials, employees or agents.</p>
5.8.2	It is clarified that loss shall in no event or circumstance include any consequential or indirect loss including, without limitation, any loss of profits or loss of opportunities.
<b>5.9</b>	<b>Board Meetings</b>
5.9.1	<p>The Parties agree that:</p> <p>(a) at least 4 (four) meetings or such number as may be required by applicable Law from time to time, of the Board shall take place each calendar year and Board meetings shall be held at such intervals as may be required under the Act;</p> <p>(b) additional Board meetings shall be convened at the written request of any Director; and</p> <p>(c) the Board meetings may be conducted by telephone or any similar means of audio communication, if permitted by Law, or video conference.</p>
5.9.2	At least 14 (fourteen) days' prior written notice of a Board meeting shall be given to each Director (and his/her alternate) unless otherwise agreed to for a shorter notice in writing by any one of the Investor Directors and any 1 (one) of the JMFL Directors. The agenda setting out in reasonable detail, the items of business proposed to be transacted at the meeting of the Board (" <b>Agenda</b> ") together with all necessary accompanying papers shall be sent to the Directors (and their alternate) at least 7 (seven) days before the date of the meeting of the Board specified in the notice thereof unless otherwise agreed to for a lesser number of days in writing by any 1 (one) Investor Director and any 1 (one) JMFL Director. Items of business not specified in the Agenda shall not, as a rule, be discussed or transacted at any meeting of the Board, except with the consent of all of the Directors present thereat.
5.10	<p><b>Quorum</b></p> <p>The quorum for each meeting of the Board shall be in accordance with the Act, provided that no quorum shall be validly constituted without the presence at the meeting and throughout its proceedings, of at least 1 (one) JMFL Director or his alternate (unless waived by the JMFL Directors) and 1 (one) Investor Director or his alternate (unless waived by the Investor Directors).</p>
5.11	<p><b>Quorum not present</b></p> <p>If the quorum specified in Article 5.10 is not present within 30 (thirty) minutes of the time specified in the notice of the meeting of the Board for its commencement, then such meeting shall stand adjourned to the same day of the immediately following week at the same time and place as the original meeting. A fresh notice to this effect shall be issued by the Company to each Director. In the event at least 1 (one) JMFL Director and 1 (one) Investor Director or his alternate are not present at such adjourned meeting of the Board within 30 (thirty) minutes of the time specified in such fresh notice for its commencement, then such adjourned meeting shall once again stand adjourned to the same day of the immediately following week at the same time and place as the original meeting. If at least 1 (one) JMFL Director and 1 (one) Investor Director or his alternate are not present at such 2<sup>nd</sup> (second) adjourned meeting also, the Directors attending such 2<sup>nd</sup> (second) adjourned meeting shall form a valid quorum and shall be entitled to transact thereat all business specified in the notice of the original Board meeting except the Affirmative Vote Matters, unless the Investor and JMFL accord their prior written consent in respect of the Affirmative Vote Matter proposed to be transacted.</p>
<b>5.13</b>	<b>Decisions</b>

5.13.1	Except as otherwise specified in these Articles, or the Act, the Board will have full power to direct the activities of the Company.
5.13.2	Subject to Article 5.12, all decisions or resolutions at a meeting of the Board or by circulation (except with regard to the Affirmative Vote Matters) shall be made or passed with the approval of a simple majority of the Directors present thereat.
<b>5.14</b>	<p><b>Committees of the Board</b></p> <p>JMFL, VP and HA shall cause the Board to constitute, inter alia, the following committees at or after the Final Closing Date, namely the Nomination and Remuneration Committee, Asset Liability Management (“<b>ALM</b>”) Committee, and the Credit Committee as set out herein below:</p>
5.14.1	<p><u>Nomination and Remuneration Committee</u></p> <p>(a) The Nomination and Remuneration Committee shall initially consist of 2 (two) members, 1 (one) of whom being HA, who shall be nominated, for appointment by the Board, by the Investor and 1 (one) to be nominated, for appointment by the Board, by JMFL. On the Final Closing Date, the Investor shall be entitled to nominate HA (or in the event he is not a Director, VP) for appointment by the Board as a member of this Committee and JMFL shall be entitled to nominate Mr. Vishal Kampani for appointment by the Board as a member of this Committee. The Board shall thereupon appoint them as members of this Committee. All decisions of the Nomination and Remuneration Committee shall require the unanimous consent of its members.</p> <p>(b) In the event HA ceases to be a Director or ceases to be a member of the Nomination and Remuneration Committee, then the Investor shall be entitled to nominate VP as a member of the Nomination and Remuneration Committee within 7 (seven) Business Days of HA ceasing to be a Director or a member of the Nomination and Remuneration Committee, as the case maybe.</p> <p>(c) In the event, (i) VP is not nominated as a member of Nomination and Remuneration Committee in accordance with Article 5.14.1(b) above, or (ii) VP, after being nominated as such, ceases to be a Director or a member of the Nomination and Remuneration Committee, the Investor shall not be entitled to nominate any person as a member of the Nomination and Remuneration Committee and, so long as JMFL has the right to nominate majority on the Board in accordance with Article 5.2.3, JMFL shall be entitled to nominate the members of the Nomination and Remuneration Committee in place of HA or VP, as the case maybe.</p>
5.14.2	<p><u>ALM Committee</u></p> <p>(a) The ALM Committee shall consist of 4 (four) members.</p> <p>(b) The Investor shall be entitled to nominate, for appointment by the Board, HA and VP on the ALM Committee and the Board shall appoint such persons as members of this Committee.</p> <p>(c) JMFL shall be entitled to nominate, for appointment by the Board, any 2 (two) members on the ALM Committee. The Board shall thereupon appoint such persons nominated as members of this Committee. JMFL shall nominate Mr. Vishal Kampani and Mr. V.P. Shetty as its first nominated members of the ALM Committee. In the event HA or VP or both cease to be members of the ALM Committee, the Investor shall not be entitled to nominate any person in their place as a member of the ALM Committee and, so long as JMFL has the right to nominate majority on the Board in accordance with Article 5.2.3, JMFL shall be entitled to nominate members on the ALM Committee in place of HA or VP or both, as the case maybe.</p> <p>(d) All decisions of the ALM Committee shall require the unanimous consent of all its</p>

	members.
5.14.3	<p><u>Credit Committee</u></p> <p>(a) The Investor shall be entitled to nominate, for appointment by the Board, HA (or in the event he is not a Director, VP) as a member of the Credit Committee. The Board shall thereupon appoint him as a member of this Committee.</p> <p>(b) JMFL shall be entitled to nominate, for appointment by the Board, any 2 (two) members on the Credit Committee. The Board shall thereupon appoint such persons nominated as members of the Committee. On the Final Closing Date, JMFL shall nominate Mr. Vishal Kampani and Mr. V.P. Shetty as its first nominated members of the Credit Committee.</p> <p>(c) All decisions of the Credit Committee shall require the unanimous consent of all 3 (three) members, except on such matters which are introduced by JMF Investment Bank, on which Mr. Vishal Kampani shall abstain from participation in their discussion and shall abstain from any voting thereon.</p> <p>(d) In the event HA ceases to be a Director, or ceases to be a member of the Credit Committee, then the Investor shall be entitled to nominate VP as a member of the Credit Committee within 7 (seven) Business Days of HA ceasing to be a Director or a member of the Credit Committee, as the case maybe.</p> <p>(e) In the event, (i) VP is not nominated as a member of Credit Committee in accordance with Article 5.14.3 (d) above, or (ii) VP, after being nominated as such, ceases to be a Director or a member of the Credit Committee the Investor shall not be entitled to nominate any person as a member of the Credit Committee and, so long as JMFL has the right to nominate majority on the Board in accordance with Article 5.2.3, JMFL shall be entitled to nominate the members of the Credit Committee in place of HA or VP, as the case maybe.</p>
<b>5.15</b>	<b>Shareholders' meetings</b>
5.15.1	All meetings of the shareholders of the Company shall be held in accordance with applicable Laws in India and these Articles. At least 21 (twenty one) days prior notice in writing shall be given to all shareholders of such meetings. Shareholders' meeting may also be called by giving a shorter notice than 21 (twenty one) days with the consent of members in accordance with the provisions of the Act. The notice shall be circulated together with an agenda, explanatory statement and all supporting documents for items to be considered at the said meeting either by electronic means or in physical form in accordance with applicable Law.
5.15.2	The quorum for a general meeting of the shareholders' of the Company shall be determined in accordance with applicable provisions of the Act and these Articles and shall include a nominee of the Investor and JMFL.
5.15.3	If a quorum is not present within 30 (thirty) minutes from the time specified for a general meeting, the general meeting will be adjourned to a date not later than 7 (seven) Business Days after the original date of the meeting and at the same time and place as the original meeting by written notice to all the shareholders, and the Chairman shall notify all the shareholders of the adjourned meeting and any details required for a shareholder to join such meeting through electronic means as permitted under applicable Law at least 3 (three) days prior to the date of the adjourned meeting. If, at such adjourned meeting, the quorum is not present within 30 (thirty) minutes from the time appointed for holding the adjourned meeting, then the shareholders present at such adjourned meeting, not being less than 2 (two), shall be deemed to constitute a valid quorum thereat and they shall be entitled to conduct, determine, discuss and vote on the matters provided in the agenda for such meeting, except any Affirmative Vote Matters, unless the Investor and JMFL accords its prior written consent in respect of the Affirmative Vote Matters proposed to be transacted.
5.15.4	No resolution pertaining to Affirmative Vote Matters, in respect of which the Investor or

	JMFL has expressly intimated to the Board its objection, can be raised by the Company in a shareholders meeting.
5.16	<p><b>Affirmative Vote</b></p> <p>So long as the Investor solely or along with its Affiliates holds at least 15% (fifteen per cent) of the total issued and paid up share capital of the Company, calculated on a Fully Diluted Basis, whether or not VP and HA are Directors, all decisions pertaining to the matters as set out in this Article 5.16.1 (“<b>Affirmative Vote Matters</b>”) shall require the prior approval in writing of the Investor. So long as JMFL solely or along with its Affiliates holds at least 15% (fifteen per cent) of the total issued and paid up share capital of the Company, calculated on a Fully Diluted Basis, all decisions pertaining to the Affirmative Vote Matters shall require the prior approval in writing of JMFL:</p> <ul style="list-style-type: none"> <li>(a) alterations to the Memorandum and/or these Articles of the Company insofar and to the extent they adversely affect or impair the Investor’s or JMFL’s rights;</li> <li>(b) any acquisition, merger, sale of all or substantially all of the Company’s assets or liquidation or winding up of the Company or reduction of its share capital;</li> <li>(c) approval to or amendment of the annual operating budget and the Business Plan;</li> <li>(d) any capital issuance or re-organisation;</li> <li>(e) increasing number of Directors of the Company;</li> <li>(f) changing the Business or the commencement of any new line of business;</li> <li>(g) granting of any loans to Directors subject to provisions of the Act;</li> <li>(h) appointment and/or removal of the Auditors of the Company;</li> <li>(i) incurring or committing to capital expenditure exceeding the limits provided in the Business Plan by more than 20% (twenty per cent);</li> <li>(j) any transaction or arrangement which is not at arm’s length (and not expressly authorized in these Articles) between the Company, on the one hand, and (a) JMFL or any of its Affiliates (or their directors, officers or employees), on the other or (b) Investor or any of its Affiliates (or their directors, officers or employees), on the other;</li> <li>(k) any change in Board committees, or in composition of or voting rights with respect to Board committees; and</li> <li>(l) any primary offering of Equity Shares and / or any equity linked instruments on any stock exchange whether in India or abroad.</li> </ul>
5.17	<b>Exercise of Rights</b>
5.17.1	Notwithstanding anything to the contrary contained herein, if either VP or HA retire or resign from their position as Chairman or Vice-Chairman of the Board or cease to be a Director of the Company then, in any such case, all the rights of VP or HA to be appointed on the various committees as contemplated in Article 5.14 shall, unless the other of them elects to waive any of such rights, devolve upon the other of them. It is clarified that the Investor shall not have the right to appoint the Chairman or Vice Chairman or Managing Director or member of a committee of a Board, if VP or HA ceases to be the Chairman, Vice Chairman and/or members of a committee, as the case may be. If VP ceases to be the Chairman in accordance with Article 5.4.2 and/or HA ceases to be the Vice-Chairman, then, the Investor shall not be entitled to nominate for appointment the Chairman and/ or Vice- Chairman and JMFL shall have the right to designate the Chairman and/or the Vice- Chairman, as the case may be in accordance

	with Article 5.4.2 (b) or Article 5.4.3 (b), as the case may be.
5.17.2	In the event that either VP or HA, or both cease to be Directors, then, subject to Article 5.17.1, in such case, the Investor will have the right to appoint Directors in accordance with Article 5.2.2, provided that such nominees are acceptable to JMFL.
5.17.3	In the event the Investor ceases to hold at least 15% (fifteen per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis, then its rights under these Articles (other than those which are mandatorily available to it as a shareholder under the Act), including without limitation the right to appoint Directors and key managerial personnel and the right to exercise Affirmative Voting Rights and the right to have access to records and the requirement to obtain its consent for any matter as may be contemplated in these Articles, shall forthwith cease to subsist.
5.17.4	In the event that JMFL ceases to be designated as a promoter of the Company and ceases to hold at least 15% (fifteen per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis, then its rights under these Articles (other than those which are mandatorily available to it as a shareholder under the Act), including without limitation the right to appoint Directors and key managerial personnel and the right to exercise Affirmative Voting Rights and the right to have access to records and the requirement to obtain its consent for any matter as may be contemplated in these Articles, shall forthwith cease to subsist.
5.17.5	The Investors shall designate an identified representative (“ <b>Investor Representative</b> ”) for the purposes of communication with the Company and JMFL on their behalf, inter alia, in connection with the exercise of their rights under these Articles, and JMFL and the Company shall be entitled to rely on communications received from the Investor Representative without any further investigation or enquiry. Initially the Investor Representative shall be HA. Any change in the details of the respective representatives shall be forthwith communicated to the Company and JMFL by the Investors.
5.17.6	JMFL shall designate an identified representative (“ <b>JMFL Representative</b> ”) for the purposes of communication with the Company and the Investors on its behalf, inter alia, in connection with the exercise of their rights under these Articles, and the Investors shall be entitled to rely on communications received from the JMFL Representative without any further investigation or enquiry. Initially the representative of JMFL shall be Mr. Prashant Choksi. Any change in the details of the respective representatives shall be forthwith communicated to the Company and the Investors by JMFL.
<b>6.</b>	<b>FURTHER ISSUE OF CAPITAL</b>
6.1	Save as contemplated in Article 9.1.6 (b), in the event the Company is desirous of issuing additional capital, then the Company shall, unless otherwise agreed to by the Parties and the New Investor, issue Equity Shares and/or equity linked instruments to the then existing Shareholders of the Company (“ <b>Entitled Shareholders</b> ”) on a rights issue basis in proportion of their shareholding in accordance with applicable Law (“ <b>Rights Issue</b> ”) at the lowest price which may be permitted under applicable Law or such price as may be mutually agreed to between JMFL and the Investor (“ <b>Rights Issue Price</b> ”).
6.2	The Entitled Shareholders shall within such time period as is prescribed under the Act (“ <b>Rights Issue Offer Period</b> ”), intimate the Board of their decision to participate in the Rights Issue.
6.3	The Entitled Shareholders shall have the right to subscribe to their entitlement in the Rights Issue or renounce part or whole of their entitlement in favour of another investor. In the event an Entitled Shareholder renounces (“ <b>Transferring Shareholder</b> ”) its entitlement in favour of a third party that is not an Affiliate (“ <b>Third Party</b> ”), then prior to renouncing the whole or part of their entitlement to a Third Party, the Transferring Shareholder should issue a written notice to the other Entitled Shareholders stating the portion of its entitlement (“ <b>Entitlement</b> ”) that it proposes to renounce and the name of the Third Party. Upon receipt of such notice from the Transferring Shareholder, each of the other Entitled Shareholders shall have the right to issue a notice (“ <b>Entitlement Notice</b> ”) to the Transferring Shareholder within 30 (thirty) days from receipt of the

	<p>notice, requiring the Transferring Shareholder to renounce its Entitlement in favour of the respective Entitled Shareholders, in proportion to the Entitled Shareholders' then existing shareholding in the Company. Upon receipt of such Entitlement Notices from the Entitled Shareholders, the Transferring Shareholder shall renounce the Entitlement in favour of the Entitled Shareholders who have issued such Entitlement Notices in proportion to their respective shareholding in the Company as stated in the Entitlement Notice. In the event any of the remaining Entitled Shareholders have not issued an Entitlement Notice, then the Entitled Shareholders who have issued Entitlement Notices shall have the right to subscribe to the remaining Entitlement in proportion to their shareholding after following the procedure contained herein. The Entitled Shareholders, in whose favour the Transferring Shareholder renounces its Entitlement, shall participate in the Rights Issue and subscribe to their respective Entitlement. If none of the Entitled Shareholders issue an Entitlement Notice within the period prescribed herein or if all the Entitled Shareholders issues notices that they are not desirous of subscribing to the Entitlement, then the Transferring Shareholder shall be entitled to renounce the Entitlement in favour of the Third Party and the following conditions shall be complied with:</p> <p>(a) subscription to the Rights Issue should not result in each Third Party, along with its Affiliates or Persons Acting in Concert with it holding more than 9.99% (nine point nine nine per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis in the aggregate;</p> <p>(b) such Third Party shall not be entitled to exercise any right under these Articles, other than those which are mandatorily available to it as a shareholder of the Company under the applicable Law, and the transferring Entitled Shareholder shall not directly or indirectly assign its rights under these Articles to such Third Party or its Affiliates; and</p> <p>(c) such Third Party shall execute a deed, in the format as agreed between the parties in writing on the Execution Date and the New Investor Execution Date for this purpose, agreeing to adhere and be bound by the terms and conditions upon which the Investor has invested into the Company, more particularly agreed upon between the parties in writing, on the Execution Date and the New Investor Execution Date.</p>
6.4	In the event an Entitled Shareholder is not desirous of participating in the Rights Issue (" <b>Renouncing Shareholder</b> "), either by itself or in accordance with Article 6.3 above, the remaining Entitled Shareholder shall be entitled to subscribe to the Renouncing Shareholder's entitlement under the Rights Issue in proportion to their shareholding before the Rights Issue and allocation of such additional securities shall be made in such proportion.
6.5	It is clarified that the threshold of 9.99% (nine point nine nine per cent) stated in Article 6.3(a) is not a cumulative threshold and the Entitled Shareholders shall have the right to subscribe to their entitlements under the Rights Issue through any number of Third Parties so long as each of the Third Parties along with their Affiliates and Persons Acting in Concert do not hold more than 9.99% (nine point nine nine per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis.
6.6	The Entitled Shareholders participating in the Rights Issue or the Third Party, shall have a period of 60 (sixty) days from the date of the acceptance (" <b>Rights Issue Completion Period</b> ") to complete the subscription to the Rights Issue.
6.7	Any Equity Shares/equity linked instruments that are left outstanding after completion of the Rights Issue shall be extinguished and the Company shall have no right to deal with them except with consent of the Board, and after following the process laid down in this Article 6.
6.8	It is hereby clarified that the rights available to JMFL and the Investor to subscribe to the Renouncing Shareholder's entitlement under the Rights Issue in proportion to their shareholding as set out in this Article 6 shall not be available to the New Investor and the New Investor shall not be entitled to subscribe to the Renouncing Shareholder's entitlement under the Rights Issue as set out in this Article 6.
<b>7.</b>	<b>TRANSFER OF SHARES</b>

7.1	<b>Permitted Transfer</b>
7.1.1	JMFL and the Investor and/or any of its Affiliates holding any shares of the Company or voting interests therein, shall not transfer any of the shares or voting interests therein owned by it to any person or create any Encumbrance over the shares owned by it, except as expressly required or permitted under these Articles.
7.1.2	<p>The Investor and JMFL shall have the right to transfer at any time all or any part of the Equity Shares or CCPS held by them in the Company to any of their respective Affiliates, provided that:</p> <p>(a) the transferee Affiliate executes a deed of adherence in the form as agreed between the Parties in writing, on the Execution Date for this purpose and re-transfer all such shares back to the Investor and/or JMFL or their respective designated Affiliates on or before the date on which the transferee Affiliate ceases to be an Affiliate of the Investor and/or JMFL, as the case may be; and</p> <p>(b) if any such transfer is made by the Investor and/or JMFL to more than one of their respective Affiliates or if such transfer is of a part (but not all) of the shareholding of the Investor and/or JMFL in the Company, then the Investor and/or JMFL, as the case may be, shall cause such Affiliate transferee to adhere to the terms and conditions upon which the Investor has invested into the Company, more particularly agreed upon between the Parties in writing, on the Execution Date.</p>
7.1.3	JMFL shall be entitled to transfer upto 9.99% (nine point nine nine per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis in the aggregate to the Bank without rights and accordingly the Bank shall execute a deed of adherence in the form agreed between the Parties in writing, on the Execution Date for this purpose.
7.1.4	<p>Subject to Articles 7.2 and 7.3 hereof, in the event that JMFL is not granted a banking license by the Reserve Bank of India, then from the Final Closing Date and for a period of 5 (five) years thereafter, the Investor and JMFL shall have the right to Transfer at any time Equity Shares or CCPS or any equity linked instruments held by them in the Company to one or more Third Parties, subject to the following conditions:</p> <p>(a) each Third Party along with its Affiliates or Persons Acting in Concert, to whom the Equity Shares or CCPS or any equity linked instruments held by the Investor or JMFL, as the case may be, in the Company is transferred, shall not hold more than 9.99% (nine point nine nine per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis in the aggregate;</p> <p>(b) such Third Party shall not be entitled to exercise any right under these Articles, other than those which are mandatorily available to it as a shareholder of the Company under the applicable Law and the transferring shareholder shall not directly or indirectly assign its rights under these Articles to such Third Party or its Affiliates; and</p> <p>(c) such Third Party shall execute a deed in the format as agreed between the Parties in writing, on the Execution Date for this purpose, agreeing to be bound by the terms and conditions upon which the Investor has invested into the Company, more particularly agreed upon between the Parties in writing, on the Execution Date.</p> <p>It is hereby clarified that the threshold of 9.99% (nine point nine nine per cent) stated in Article 7.1.4(a) is not a cumulative threshold and the Investor or JMFL, as the case may be, shall have the right to transfer its Equity Shares or CCPS or any equity linked instruments to any number of Third Parties so long as each of the Third Parties along with their Affiliates and Persons Acting in Concert do not hold more than 9.99% (nine point nine nine per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis.</p>
7.1.5	Upon the expiry of the 5th (fifth) anniversary of the Final Closing Date, subject to Article 7.2 below, JMFL and the Investor shall have the right to transfer all or any of the Equity Shares or equity linked instruments held by them in the Company to a Permitted Transferee at their discretion, with or without the Affirmative Voting Rights available to them respectively under these Articles, provided that, in the event Affirmative Voting Rights are transferred, the



	rights available to the Investor or JMFL, as the case may be, under these Articles shall be exercised by the Investor and/or its transferee(s) collectively as 1 (one) block or by JMFL and/or its transferee(s) collectively as 1 (one) block, as the case may be. JMFL or the Investor, as the case may be, shall ensure that the Permitted Transferee executes a deed of adherence in the format agreed between the Parties in writing, on the Execution Date for this purpose. JMFL and the Investor, as the case may be, agree to use its reasonable best efforts to maximise the value of the sale.
7.1.6	Any Transfer, other than the Permitted Transfers and the transfer under Article 7.4 shall be made by the Parties in accordance with the provisions of these Articles or only after written approval from the other Parties in compliance with applicable Law.
<b>7.2</b>	<b>Right of first offer</b>
7.2.1	If either JMFL or the Investor proposes to Transfer any of their respective shareholding including equity linked instruments in the Company (“ <b>Selling Party</b> ”) to a Third Party in accordance with the provisions of these Articles (other than a Transfer in accordance with Articles 7.1.2, 7.1.3 and 7.4.2(d), the other party i.e. the Investor or JMFL, as the case may be (“ <b>Non-Selling Party</b> ”) shall have a right of first offer (“ <b>Right of First Offer</b> ”) with respect to the shares proposed to be Transferred, to be exercised in the manner set out below.
7.2.2	The Selling Party shall send a written notice (“ <b>Transfer Notice</b> ”) to the Non-Selling Party, which notice shall state the number of shares proposed to be transferred (“ <b>Offered Shares</b> ”) and the price at which such shares are proposed to be transferred (“ <b>Offer Price</b> ”).
7.2.3	Within a period of 60 (sixty) days from the receipt of a Transfer Notice (“ <b>Offer Period</b> ”), the Non-Selling Party shall, if desirous of purchasing the Offered Shares at the Offer Price, by way of a written notice (“ <b>Acceptance Notice</b> ”), inform the Selling Party that it is willing to purchase not less than all of the Offered Shares at a price not less than the Offer Price.
7.2.4	Upon receipt of an Acceptance Notice, the Selling Party shall have the right to intimate the Non-Selling Party, within a period of 15 (fifteen) days from the receipt of the Acceptance Notice, under a written notice setting forth the delivery instructions and procedures required to effectuate the transfer of the Offered Shares. The Parties shall consummate the transaction relating to the sale and purchase of the Offered Shares within 60 (sixty) days of the receipt of the Acceptance Notice (“ <b>Acceptance Period</b> ”).
7.2.5	In the event the Non-Selling Party fails to communicate its decision as regards the Offered Shares within the Offer Period, then subject to Article 7.3, the Selling Party shall be entitled to sell such Offered Shares thereafter to any Third Party within a period of 120 (one hundred and twenty) days from the expiry of the Offer Period, at a price that shall not be lower than the Offer Price and on terms that are no more favourable than the terms offered to the Non-Selling Party. If the Selling Party fails to sell the Offered Shares within the aforesaid period to such Third Party, the Selling Party shall not be entitled to sell the Offered Shares thereafter to any Third Party, without first re-offering the same to the Non-Selling Party in accordance with this Article 7.2.
7.2.6	During the aforesaid 120 (one hundred and twenty) day period, the Company shall be required to hand over any Confidential Information as may be reasonably requested by the Selling Party to disclose to the proposed Third Party purchaser, provided that the Selling Party shall cause the Third Party purchaser to be bound by such confidentiality obligations as maybe determined by the Board.
7.2.7	Further, in case any Governmental Authorisations are required under Law for the transfer of the Offered Shares:  (a) it shall be the obligation of the Selling Party to procure such Governmental Authorisations and the Non-Selling Party and the Company shall extend all reasonable co-operation and assistance in applying for such Governmental Authorisations; and

	(b) the time period for completion of the transfer of Offered Shares by the Selling Party, shall stand extended till such time the application for Governmental Authorisations is disposed of by the relevant authority.
7.2.8	In the event that the Offered Shares are required to be transferred in terms of this Article 7.2, the Parties shall ensure that on the date on which such transaction is sought to be consummated (i) the Non-Selling Party shall pay the proposed price to the account designated by the Selling Party; and (ii) the Selling Party shall transfer the Offered Shares to the Non-Selling Party and shall deliver to the Non-Selling Party, (a) the share certificates pertaining to the Offered Shares together with duly executed share transfer forms if the shares are in physical form or (b) appropriate instructions to its depository participant to effect a transfer where the shares are dematerialised. The Non-Selling Party shall be liable to pay the stamp duty on the share transfer forms which will be required to transfer the Offered Shares to the Non-Selling Party.
7.2.9	In every case of sale of Offered Shares by the Selling Party to a Third Party in accordance with this Article 7.2, the Selling Party shall ensure, before transferring their shares to such Third Party, that the said Third Party executes the deed of adherence in the format as agreed between the Parties in writing, on the Execution Date for this purpose. It is hereby clarified that where the Selling Party proposes to Transfer its shareholding under Article 7.1.4 then the Third Party shall execute a deed in the format as agreed between the Parties in writing, on the Execution Date for this purpose and where the Selling Party proposes to Transfer its shareholding under Article 7.1.5 then the Third Party shall execute a deed in the format as agreed between the Parties in writing, on the Execution Date for this purpose.
<b>7.3</b>	<b>Tag along Right</b>
7.3.1	Subject to Article 7.2 and 7.5, in the event that, any of the Shareholders (" <b>Selling Shareholder</b> "), other than on account of: (a) the Mandatory Transfer stipulated in Article 7.4 below or (b) a transfer in accordance with Articles 7.1.2, 7.1.3 or 7.1.5 (i) sells such percentage of their respective shareholding in the Company to a Third Party which results in the Selling Shareholder's shareholding in the Company falling below 15% (fifteen per cent) in the Company on a Fully Diluted Basis (" <b>Offered Tag Shares</b> ") and/or (ii) sells any part of its shareholding in the Company to a Third Party along with any rights available to it under these Articles, including the right to vote on Affirmative Vote Matters, (in which event the shareholding so sold shall be deemed to be the " <b>Offered Tag Shares</b> "), then the remaining shareholders (" <b>Remaining Shareholders</b> ") shall have the right (" <b>Tag-Along Right</b> ") to require the Selling Shareholder to cause the proposed third party purchaser (" <b>Proposed Transferee</b> ") to purchase the pro rata shareholding of the Remaining Shareholders' shareholding in the Company, at the time of such proposed sale on the same terms and conditions. For purposes of this Article 7, each Remaining Shareholders' pro rata portion shall be equal to the product obtained by multiplying (i) the aggregate number of shares proposed to be transferred by the Selling Shareholder (ii) a fraction, the numerator of which is the number of shares held by such Remaining Shareholders at the time of the proposed transfer and the denominator of which is the total number of shares held by all Remaining Shareholders at the time of such proposed transfer.
7.3.2	The Selling Shareholder shall submit to the Remaining Shareholders and the Company, a written offer (" <b>Offer</b> "). The Offer shall disclose (i) the identity of the Proposed Transferee; (ii) the number of Offered Tag Shares proposed to be sold; (iii) the Selling Shareholder's total shareholding in the Company at the time of the Offer; (iv) the terms and conditions of the proposed sale of the Offered Tag Shares to the Proposed Transferee, including the price per Equity Share on a Fully Diluted Basis to be paid; (v) the terms and conditions of payment offered by the Proposed Transferee; and (vi) that the Proposed Transferee has been informed of the Tag-Along Right provided for in this Article 7.3 and any other material facts relating to the proposed sale of the Offered Tag Shares to the Proposed Transferee.
7.3.3	The Tag-Along Right shall be exercised by the Remaining Shareholders ("Participating Shareholder(s)") notifying the Selling Shareholder and the Company in writing ("Tag-Along Notice") within 60 (sixty) days of receipt by it of the Offer. The Tag-Along Notice shall state the Participating Shareholder(s)' shareholding in the Company that will be included in the transfer ("Tagged Shares") to the Proposed Transferee.

7.3.4	Within 15 (fifteen) days of the receipt of the Tag-Along Notice, the Selling Shareholder shall deliver to the Participating Shareholder, a notice in writing setting forth the delivery instructions and procedures required to effectuate the transfer, if the Proposed Transferee agrees to purchase the Tagged Share.
7.3.5	The Selling Shareholder shall ensure that the Proposed Transferee purchases the Tagged Shares from the Participating Shareholder(s) at the same price offered to the Selling Shareholder and that the said price is in conformity with applicable Laws in India. If the Proposed Transferee does not agree to purchase the Tagged Shares at the same price and on the same terms and conditions as the Proposed Transferee is desirous of purchasing the Offered Tagged Shares, unless otherwise consented to or waived by the Remaining Shareholder in writing, then the Selling Shareholder shall not be permitted to transfer any part of its shareholding in the Company to the Proposed Transferee in the proposed transfer.
7.3.6	In case any Governmental Authorisations are required under Law for the transfer of the Tagged Shares to the Proposed Transferee, the time period for completion of the transfer of Tagged Shares to the Proposed Transferee shall stand extended till such time the application for Governmental Authorisation is not disposed of by the regulatory authority.
7.4	<p><b>Mandatory Transfer</b></p> <p>In the event that JMFL is granted a banking license by the Reserve Bank of India and JMFL is required by the Reserve Bank of India to dilute its shareholding in the Company to the required percentage or where the Company falls within the ‘Group Risk Limits’, then in such case, JMFL shall be required to take all steps to reduce its shareholding at least to the required percentage to ensure that the Company operates as an independent business (“<b>Required Percentage</b>”). Subject to applicable Law, the following actions shall be taken in the sequential order stated below:</p>
7.4.1	<p>Firstly, JMFL shall take the following actions:</p> <ul style="list-style-type: none"> <li>(a) sell 0.02% (point zero two per cent) of the total shareholding of the Company on a Fully Diluted Basis to the Investor at 1.5x book value as reflected in the financial statements of the most recently completed financial quarter;</li> <li>(b) JMFL shall take all actions as may be necessary to transfer control of the Company to the Investor for the purpose of and in compliance with the regulatory requirements; and</li> <li>(c) JMFL shall cease to be a promoter of the Company upon completion of (a) and (b) above; and</li> <li>(d) Upon JMFL ceasing to be a promoter of the Company, it shall cease to have the right to nominate the majority on the Board.</li> </ul>
7.4.2	<p>Thereafter, JMFL may take any one or more of the following reduce JMFL’s stake at least to the Required Percentage (in the order of precedence, and permutation and combination as is determined by JMFL):</p> <ul style="list-style-type: none"> <li>(a) Upon a written notice in this regard by JMFL, the Company shall subject to the Investor’s Affirmative Voting Rights in accordance with Article 5.16.1, increase its equity share capital by making a Rights Issue in accordance with Article 6 wherein JMFL shall be entitled to renounce all or part of its rights entitlement in accordance with Article 6.4 except that the Rights Issue Offer Period and Rights Issue Completion Period shall, for the purposes hereof each be extended from 60 (sixty) days to 90 (ninety) days.</li> <li>(b) JMFL shall have the option to transfer such number of Equity Shares, Preference Shares and/or equity linked instruments (“<b>Stipulated Shares</b>”), as may be required to reduce its shareholding in the Company at least to the Required Percentage by first offering the Stipulated Shares to the Investor in accordance with Article 7.2 except that</li> </ul>

	<p>the Offer Period and Acceptance Period shall, for the purposes hereof each be extended from 60 (sixty) days to 90 (ninety) days. If the Investor does not exercise the right to purchase the Stipulated Shares in accordance with Article 7.2, then in such case JMFL shall be entitled to sell the Stipulated Shares to one or more Third Parties subject to the conditions stipulated in Article 7.1.4.</p> <p>(c) JMFL shall have the right to transfer all or any of the Stipulated Shares to a Permitted Transferee at its discretion, with or without the rights available to it, provided that in the event Affirmative Voting Rights are transferred, then the Affirmative Voting Rights available to JMFL under these Articles shall be exercised by JMFL and/or its transferee(s) collectively as 1 (one) block, provided further that JMFL shall offer the Stipulated Shares to the Investor in accordance with Article 7.2 except that the Offer Period shall be 30 (thirty) days.</p> <p>(d) JMFL shall have the right but not the obligation to distribute the Equity Shares held by it to the shareholders of JMFL.</p>
7.4.3	VP and HA shall use their reasonable best efforts to maximise the value of the sale subject always to their fiduciary duty to maximise the value of the Investor Shares, which JMFL acknowledges shall always hold priority for VP and HA.
7.4.4	The Investors shall exercise their rights hereunder and/or under Law and shall cause the Investor Directors to exercise their rights in such manner so as to ensure that the rights of JMFL under this Article 7.4 are given effect to.
7.4.5	Notwithstanding anything else contained herein and subject to Article 12 and applicable Law, all rights of JMFL and the Investor set out hereunder and restrictions on Transfer of any and all shares of the Company will cease to exist upon the successful closing of the Company's initial public offering.
7.5	Transfer Rights and Obligations of New Investor
7.5.1	Permitted Transfers
b)	<p>The New Investor shall have the right to transfer at any time all or any part of the Equity Shares held by it in the Company to any of its Affiliates, provided that:</p> <p>i. the transferee Affiliate executes a deed of adherence in the form as agreed by the New Investor in writing on the New Investor Execution Date for this purpose and re-transfer all such shares back to the New Investor or its designated Affiliates on or before the date on which the transferee Affiliate ceases to be an Affiliate of the New Investor; and</p> <p>ii. if any such transfer is made by the New Investor to more than one of its respective Affiliates or if such transfer is of a part (but not all) of the shareholding of the New Investor in the Company, then the New Investor shall cause each such Affiliate transferee to adhere to the terms and conditions upon which the New Investor has invested into the Company, more particularly agreed upon by the New Investor, the Company and JMFL in writing, on the New Investor Execution Date.</p>
<b>8.</b>	<b>BUSINESS PLAN</b>
8.1	The Company shall prepare and submit to the Board for approval a Business Plan for every Financial Year at least 30 (thirty) days before the commencement of each following Financial Year.
8.2	In the event the Parties are unable to finalise the Business Plan for any Financial Year, the existing Business Plan shall stand extended and shall continue to be in force until the subsequent Business Plan is finalised.

<b>9.</b>	<b>COVENANTS AND UNDERTAKINGS</b>
9.1	The Company shall comply with the obligations applicable to it as set out hereunder:
9.1.5	<b>Two Way Referrals</b>
	<p>(b) If JMFL and/or its Affiliate/s (other than JM Financial Group's asset reconstruction company) are prospecting for or are approached by any promoter requiring promoter funding in excess of Rs. 500,000,000/- (Rupees five hundred million only) per deal (which threshold shall be increased by INR equivalent of USD 1 million every Financial Year) or any real estate sector entity requiring funds, JMFL shall, and shall cause its Affiliate/s (other than JM Financial Group's asset reconstruction company) to, in such cases refer or bring the deal to the Company..</p> <p>(c) The aforesaid referrals shall be made by way of a written notice ("Reference Notice") to the Company, providing the Company with the details of the proposed deal ("Deal").</p> <p>(d) The Company shall within a period of: (a) 15 (fifteen) days in respect of real estate sector entity loans; and (b) 7 (seven) days in respect of promoter funding loans, from the date of the Reference Notice, either (i) reject the Deal; or (ii) execute an indicative non-binding term sheet which shall express the Company's willingness to conduct a due diligence to confirm feasibility of the Deal. In case the Company does none of the above stated actions, it will be deemed to have rejected the Deal.</p> <p>(e) If the Credit Committee of the Company rejects the Deal, JMFL and/or its Affiliate/s shall have the option to refer the Deal to any Third Party. For any promoter funding transaction, in the event the representatives of JMFL on the Credit Committee approve the Deal, but the representative/s of the Investor on the Credit Committee rejects the Deal, then such Deal can be undertaken by JMFL, JM Investment Bank or their Affiliates, provided that the terms on which such Deal is undertaken by JMFL, JM Investment Bank or their Affiliates cannot be more favourable than what was presented to the Credit Committee.</p> <p>(g) Referrals to and from the Company shall be subject to a maximum of 1% (one percent) introduction fee on the transaction amount to be negotiated on a deal to deal basis. If there is a follow on Deal with the same promoter entity within 3 (three) years of the original Deal, then JMFL (or its Affiliate which has referred the Deal to the Company) will be entitled to an additional fee of 0.5% (zero point five per cent) on the transaction amount of such follow on Deal.</p>
9.1.6	<b>Dividend Policy</b>
	<p>(a) The Board shall adopt a dividend distribution policy acceptable to JMFL and the Investor. So long as JMFL holds at least 50.01% (fifty point zero one per cent) of the total issued and paid up share capital of the Company on a Fully Diluted Basis, JMFL shall be entitled to 40% (forty per cent) of the net profit after tax of the Company as dividend. Entire dividend paid and any direct or indirect taxes and costs incurred by the Company on account of such dividend payment will be economically borne by JMFL.</p> <p>(b) If JMFL's shareholding is diluted only as a result of dividend distribution as outlined in Article 9.1.6(a) then, subject to the provisions of Article 7.4 and applicable Law in India, JMFL will have the right, prior to conversion of the Investor CCPS into Equity Shares, from time to time, to subscribe to such number of Equity Shares, at book value as reflected in the financial statements of the most recently completed quarter of the current Financial Year, as may be required to maintain their shareholding at 50.01% (fifty point zero one per cent) on a Fully Diluted Basis, post such conversion. It is clarified that the benefit of this provision shall not apply in case of dilution on account of non-subscription by JMFL to any Rights Issue or in case of Transfer of its shareholding by JMFL to Third Party.</p>
9.1.7	<b>Conversion of CCPS</b>

	<p>In the event JMFL: (i) infuses the amounts as required under Article 9.1.6(b) above (ii) does not infuse the amounts as required under Article 9.1.6(b) above; or (iii) partly infuses the amounts as required under Article 9.1.6(b) above; then the Investor CCPS will convert based on the mechanism set out in terms of the CCPS issued to the Investor. If on account of applicable Law, the implementation mechanism i.e. adjustment of conversion price of the Investor CCPS, is not possible, then the Parties shall be obligated to pursue alternate options to give effect to the commercial understanding between the Parties in line with the intent and spirit of this Article and Article 9.1.6 above.</p>
9.1.9	<b>Non-Compete</b>
	<p>(a) For so long as VP, HA or the Investors hold any shares in the Company with JMFL, VP and HA will not, directly or indirectly, whether or not in collaboration with another entity pursue in India the business of (i) real estate sector lending, (ii) loan against property in excess of Rs. 500,000,000/- (Rupees five hundred million only) per deal (which threshold shall be increased by INR equivalent of USD 1 million every Financial Year) and (iii) promoter funding in excess of Rs. 500,000,000/- (Rupees five hundred million only) per deal (which threshold shall be increased by INR equivalent of USD 1 million every Financial Year). Provided, however, if VP or HA resign from the Board or their engagement with the Company is terminated in accordance with their respective Appointment Letters, then this non-compete obligation with respect to VP or HA, as the case may be, will expire 1 (one) year after such resignation/termination.</p> <p>(b) JMFL shall not directly or indirectly, pursue in India the business of (i) real estate sector lending (ii) loan against property in excess of Rs. 500,000,000/- (Rupees five hundred million only) per deal (which threshold shall be increased by INR equivalent of USD 1 million every Financial Year) and (iii) promoter funding in excess of Rs. 500,000,000/- (Rupees five hundred million only) per deal (which threshold shall be increased by INR equivalent of USD 1 million every Financial Year); provided that the restrictions contained in this Article 9.1.9(b) shall not be applicable:</p> <ul style="list-style-type: none"> <li>(i) to any business permitted under Article 9.1.5(d), outside the Company;</li> <li>(ii) to the business being conducted by the Bank;</li> <li>(iii) M Financial Property Fund 1, JM Financial Property Fund 2 and their respective successor funds or any other fund launched by Infinite India Private Limited including any successor thereof;</li> <li>(iv) JM Financial India Fund and its successor fund provided that the JM Financial India Fund cannot invest in a non-banking financial company carrying out the business which is similar to the Business; and</li> <li>(v) JM Financial Mutual Fund.</li> </ul> <p>Provided further that the restrictions contained in this Article 9.1.9(b) shall cease to be applicable to JMFL upon the earlier of: (a) JMFL ceasing to hold 15% (fifteen per cent) of the shareholding of the Company; and (b) JMFL ceasing to be designated as a promoter of the Company;</p> <p>Provided further that the restrictions contained in this Article 9.1.9(b) shall apply until expiry of 36 (thirty six) calendar months from the Final Closing Date even if JMFL ceases to hold 15% (fifteen per cent) of the shareholding of the Company or ceases to be designated as a promoter of the Company.</p>
<b>10.2</b>	<b>Access to Records</b>
10.2.1	<p>The Company shall permit authorised representatives of the Investor or JMFL or New Investor, upon reasonable prior notice, to visit and inspect the Company's properties, to examine its books of account and records, all at such reasonable times during ordinary business hours as may be requested in writing by the Investor or the New Investor, as the case maybe. All costs relating to such inspection shall be borne by the Investor or JMFL or the New Investor, as the case may be.</p>
10.2.2	<p>This information and inspection rights shall not be in limitation of any rights that the Investor or JMFL may have with respect to the books and records of the Company, or to inspect their</p>

	properties, under the applicable Law of India.
<b>12.</b>	<b>INITIAL PUBLIC OFFERING</b>
12.1	The Parties shall use best efforts to complete an IPO of the Company and list its Equity Shares on the National Stock Exchange of India Limited, the BSE Limited and/or any recognized Indian or international stock exchange as may be decided by the Board within 2 (two) years from September 28, 2018 at a per share price amounting to at least 2 times the Per Share Subscription Amount, as adjusted for stock splits and other similar events, and with net proceeds to the Company of at least \$150 million.
12.2	The Company and JMFL shall facilitate the IPO of the Company and shall complete all necessary compliances and formalities to ensure the listing. All costs related to such listing shall be borne by the Company. The New Investor, Investor and JMFL shall be entitled to offer such number of their Equity Shares for sale at the time of IPO as may be permitted by the Law in India and as per Article 12.7 below, at the same price, terms and conditions as applicable to the IPO.
12.3	The terms of the IPO shall be based on the advice of a reputed merchant bank or investment bank chosen by the Company in consultation with JMFL and the Investor and such terms shall be finalized by the Company in mutual consultation with JMFL and the Investor.
12.4	An IPO may be achieved by means of one of the following: (a) a new issue of shares of the Company; (b) an offer for sale of the shares held by the shareholders of the Company; or (c) a combination of (a) and (b) above.
12.5	JMFL, the New Investor and the Investor shall not unreasonably withhold approval and shall do all acts and deeds reasonably required to effectuate such IPO..
12.6	The Company and JMFL shall neither designate the Investor and/or the New Investor and/or the Investor Director as a ‘promoter’ of the Company nor shall any such declaration or statement be made, either directly or indirectly, in filings with regulatory or Government authorities, offer documents or otherwise, and they shall ensure that restrictions under the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or applicable Law in India applicable to promoters do not apply to the Investor and/or the New Investor. Accordingly, JMFL shall comply with all obligations imposed on it under applicable Laws in India including in relation to promoter’s contribution, if it is a promoter of the Company. Provided that nothing contained in this Article shall apply in the event that any regulatory, statutory or judicial authority, body or agency, including the SEBI rules, holds or adjudicates that the Investor is also a ‘promoter’ of the Company for the purpose of the Securities Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or applicable Law in India or otherwise. In such an event, the Company and JMFL would extend all support and do all things and take all steps to ensure that the Investor/Investor Director/New Investor is not considered a ‘promoter’.
12.7	<p>In the event that the IPO is proposed to be completed by way of an Offer for Sale (“<b>OFS</b>”) of the shares held by the shareholders of the Company, the New Investor shall have the right but not the obligation to offer upto such number of shares in the overall OFS component (“<b>Total OFS Portion</b>”) which shall be proportionate to its shareholding in the Company on a fully diluted basis (“<b>New Investor OFS Portion</b>”).</p> <p>Each of JMFL and the Investor shall respectively have the right but not the obligation to offer upto 1/3<sup>rd</sup> and 2/3<sup>rd</sup> of the Remaining OFS Portion. For the purposes of this Article 12.7, the term “<b>Remaining OFS Portion</b>” shall mean the Total OFS Portion less the New Investor OFS Portion. If either of the aforesaid parties does not exhaust their respective limits to their respective OFS portion, then the other party shall be entitled to exhaust the said limit in accordance with this Article 12.7.</p>
12.8	In the event the Company has not completed the IPO as contemplated above or another mutually agreed exit event, the Investor shall be entitled to call for an IPO by the Company.

12.9	In the event that the Investor exercises the option provided to it under Article 12.8, the Company and JMFL shall cooperate and provide all necessary assistance that may be required by the Investor including JMFL Directors and JMFL, as the case may be, by voting along with the Investor Directors and Investor at the Board meeting and/or shareholders meeting respectively in connection with the implementation and execution of the IPO.
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#### **Other recent developments**

At the AGM of the Company held on July 16, 2018, the shareholders of the Company approved the re-appointment of Mr. Hariharan Aiyar as a Director.

All disclosures made in this Tranche II Prospectus, read together with the Shelf Prospectus as the “Prospectus” with respect to this Tranche II Issue are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed Tranche II Issue. The Prospectus is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other material facts, the omission of which makes the Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.



## 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 "*General Terms of the Issue*" beginning on page 89 of this Tranche II Prospectus.

### Common Terms of Secured NCDs\*

<b>Issuer</b>	JM Financial Credit Solutions Limited.
<b>Lead Managers</b>	A. K. Capital Services Limited, JM Financial Limited**, Edelweiss Financial Services Limited and Trust Investment Advisors Private Limited.
<b>Debenture Trustee</b>	IDBI Trusteeship Services Limited.
<b>Issue</b>	Public issue by our Company of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each and Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each, for an amount aggregating up to ₹ 20,000 million (" <b>Shelf Limit</b> ") pursuant to the Shelf Prospectus. The Unsecured, Rated, Listed, Redeemable Non-convertible Debentures will be in the nature of subordinated debt and will be eligible for Tier II Capital. Post this Tranche II Issue, our Company may opt to issue Secured NCDs or Unsecured NCDs as part of the subsequent Tranche Prospectus(es).
<b>Tranche II Issue</b>	This Tranche II Issue is for Secured NCDs with a base issue size of an amount up to ₹ 2,500 million, with an option to retain oversubscription up to ₹ 10,000 million, aggregating up to ₹ 12,500 million which is within the Shelf Limit.
<b>Registrar to the Issue</b>	Karvy Computershare Private Limited.
<b>Type and nature of instrument</b>	Secured NCDs of face value of ₹ 1,000.
<b>Base Issue</b>	₹ 2,500 million
<b>Option to retain oversubscription</b>	Upto ₹ 10,000 million.
<b>Amount</b>	
<b>Face Value (in ₹ / NCD)</b>	1,000/-
<b>Issue Price (in ₹ / NCD)</b>	1,000/-
<b>Minimum application and in multiples of Seniority</b>	₹ 10,000 (10 NCD) collectively across all the Options / Series and in multiples of ₹ 1,000 (1 NCD) after the minimum application amount across all the Options / Series. 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 shall be secured by way of first ranking pari passu charge on the Company's identified immovable property and first ranking pari passu floating charge on the Company's book debts, loans and advances, and receivables, both present and future, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities.
<b>Mode of Issue</b>	Public Issue.
<b>Listing</b>	BSE  BSE shall be the Designated Stock Exchange for the Issue.  The Secured NCDs shall be listed within 6 (six) Working Days from the Tranche II Issue Closing Date.
<b>Mode of Allotment and Trading</b>	Compulsorily in dematerialised form.
<b>Mode of settlement</b>	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 95 of this Tranche II Prospectus.
<b>Market / Trading Lot</b>	One NCD.
<b>Depositories</b>	NSDL and CDSL.
<b>Security and asset cover</b>	The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, present and future, and shall be secured by way of first ranking pari passu charge on the Company's identified immovable property and first ranking pari passu floating charge on the Company's book debts, loans and advances, and receivables, both present and future, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness

Who can apply/ Eligible Investors Credit Ratings	of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities. Our Company has created the security for the Secured NCDs in favour of the Debenture Trustee for the Secured NCD Holders on the assets to ensure 100% security cover of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. For further details please refer to the section titled " <i>Issue Structure</i> " beginning on page 95 and " <i>Issue Structure-Security</i> " beginning on page 109 of this Tranche II Prospectus.					
	Please refer to the section titled " <i>Issue Procedure</i> " beginning on page 111 of this Tranche II Prospectus.					
	Rating agency	Instrument	Rating symbol	Date of credit rating letter	Amount rated (in million)	Rating definition
	ICRA	Non Convertible Debenture	AA/Stable	April 27, 2018 and further revalidated on November 1, 2018	20,000	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations.
Pay-in date Application money Record Date	India Ratings	Non Convertible Debenture	AA/Stable	April 27, 2018 which has been revalidated on November 1, 2018	20,000	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations.
	Please refer to Annexure A and B of this Tranche II Prospectus for rating letter and rationale for the above ratings. Please refer to the disclaimer clause of ICRA and India Ratings under the chapter " <i>General Information</i> " on page 15 of this Tranche II Prospectus.					
	Application Date. The entire Application Amount is payable on Application.					
	The entire application amount is payable on submitting the application.					
Issue Schedule***	The Record Date for payment of interest in connection with the Secured 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 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 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 Issue shall be open from November 20, 2018 to December 20, 2018 with an option to close earlier and/or extend upto a period as may be determined by the NCD Public Issue Committee.					
Objects of the Issue	Please refer to the section titled " <i>Objects of the Tranche II Issue</i> " on page 74 of this Tranche II Prospectus.					
Details of the utilisation of Issue proceeds	Please refer to the section titled " <i>Objects of the Tranche II Issue</i> " on page 74 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 95 of this Tranche II Prospectus.					
Step up/ Step down interest rates	N.A.					
Interest type	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 95 of this Tranche II Prospectus.					
Interest reset process	N.A.					
Tenor	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 95 of this Tranche II Prospectus.					
Coupon payment	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 95 of this Tranche II					

<b>frequency</b>	Prospectus.
<b>Redemption date</b>	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 95 of this Tranche II Prospectus.
<b>Redemption Amount</b>	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 95 of this Tranche II Prospectus.
<b>Day count convention</b>	Actual/Actual
<b>Working Days convention/Day count convention / Effect of holidays on payment</b>	<p>Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche II Issue Closing Date to listing of the Secured NCDs, Working Days shall be all trading days of stock exchanges excluding Sundays and bank holidays in Mumbai.</p> <p>Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the Secured NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.</p> <p>If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.</p> <p>If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the Secured NCDs until but excluding the date of such payment. The interest payments shall be made only on the subsequent day when the money market is functioning in Mumbai.</p>
<b>Tranche II Issue Opening Date</b>	November 20, 2018
<b>Tranche II Issue Closing Date</b>	December 20, 2018
<b>Default interest rate</b>	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/prescribed under applicable laws.
<b>Put/Call Date/Price/notification time</b>	N.A.
<b>Call Notification Time / Put Notification Time</b>	N.A.
<b>Deemed Date of Allotment</b>	The date on which the Allotment Committee of the Board approves the Allotment of the Secured NCDs for the Tranche II Issue or such date as may be determined by the Board of Directors or the NCD Public Issue Committee and notified to the Designated Stock Exchange. The actual Allotment of Secured NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Secured NCDs including interest on Secured NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.
<b>Transaction documents</b>	Issue Agreement dated May 4, 2018 and further amended and restated by agreement dated November 09, 2018 between our Company and the Lead Managers, the Registrar Agreement dated May 04, 2018 and further amended and restated by agreement dated November 09, 2018 with the Registrar to the Issue, the Public Issue Account Agreement dated November 09, 2018 with the Public Issue Account Bank, the Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated November 09, 2018 with the Lead Brokers and Lead Managers, the Debenture Trustee Agreement dated May 04, 2018 executed between our Company and the Debenture Trustee and the Debenture Trust Deed dated June 05, 2018 executed between our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Issue and to protect the interest of NCD Holders under the Issue.
<b>Conditions precedent and subsequent to the Issue</b>	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedent and subsequent to disbursement. For further details, please refer to “ <i>Objects of the Tranche II Issue – Utilisation of Issue Proceeds</i> ” on page 76 of this Tranche II Prospectus.
<b>Events of default</b>	Please refer to the section titled “ <i>Issue Structure</i> ” on page 95 of this Tranche II Prospectus.
<b>Cross Default</b>	Please refer to the section titled “ <i>Issue Structure</i> ” on page 95 of this Tranche II Prospectus.
<b>Roles and responsibilities of the</b>	Please refer to the section titled “ <i>Terms of the Issue-Trustees for the NCD Holders</i> ” on page 110 of this Tranche II Prospectus.

<b>Debenture Trustee Governing law and jurisdiction</b>	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.
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*\*In terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the Secured NCDs post allotment in physical form, will fulfill such request through the process of rematerialisation, if the Secured NCDs were originally issued in dematerialised form.*

*\*\*In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, JMFL will be involved only in marketing of the Issue.*

*\*\*\*This Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that the 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 the NCD Public Issue 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 reputed 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. to 5:00 p.m. or such extended time as may be permitted by BSE, on Working Days during the 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. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.*

Please refer to Annexure D 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 113, 110 and 126 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 <sup>****</sup> Options	I	II	III	IV	V	VI
Frequency of Interest Payment	Annual	Cumulative	Annual	Monthly	Annual	Monthly
Who can apply	All category of investors can subscribe to all Series of NCDs					
Minimum Application	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)
In multiples of thereafter	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)
Face Value of Secured NCDs (₹ / NCD)	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000
Issue Price (₹ / NCD)	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000
Tenor from Deemed Date of Allotment	42 months	42 months	60 months	60 months	120 months	120 months
Coupon Rate	10.00%	N.A.	10.10%	9.67%	10.25%	9.81%
Effective Yield (Per annum) <sup>*****</sup>	10.02%	10.00%	10.09%	10.10%	10.24%	10.25%
Mode of Interest Payment	Through various options available					
Redemption Amount (₹ / NCD) <sup>****</sup>	₹ 1,000.00	₹ 1,396.15	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Maturity Date (From Deemed Date of Allotment)	42 months	42 months	60 months	60 months	120 months	120 months
Nature of indebtedness	Secured rated listed non-convertible debentures					

<sup>\*\*\*\*</sup> Our Company shall allocate and allot Option III Secured NCDs wherein the Applicants have not indicated their choice of the relevant Secured NCD Series.

### Eligibility to receive additional incentive

As on every Record Date fixed by the Company for the payment of Coupon/Interest, all the NCD Holders of the Tranche II Issue to whom the NCDs are allotted by the Company on the Deemed Date of Allotment and to whom allotment of NCDs was made by the Company on the Deemed Date of Allotment defined in Tranche I Issue, shall be eligible for receiving additional Coupon/Interest rate amounting to 0.15% p.a., payable over and above the specific Coupon/Interest rate for the Options/Series subscribed in the Tranche II Issue. The additional incentive will be paid to those NCD Holders who have applied for Options/Series III, IV, V and VI, i.e. Options/Series having tenures of 60 months or 120 months only. Further, the additional incentive would be applicable across all categories of investors.

Identification of the above NCD Holders would be conducted by way of their DP identification and/or PAN and/or entries made in the Register of NCD Holders.

To clarify, additional Coupon/Interest will not be paid for the NCDs bought/acquired by the NCD Holders through secondary market/open market.

## OBJECTS OF THE TRANCHE II 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**”):

### Issue proceeds

Public issue by the Company of Secured NCDs of face value ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each (“**NCDs**”), for an amount aggregating upto ₹ 20,000 million (“**Shelf Limit**”).

This Tranche Issue is for the issue of Secured NCDs with a base issue size of ₹ 2,500 million and option to retain oversubscription upto ₹ 10,000 million, aggregating up to ₹ 12,500 million which is within the Shelf Limit (“**Tranche II Issue**”). This Tranche II Issue is being made pursuant to the terms and conditions of this Tranche II Prospectus, which should be read together with the Shelf Prospectus dated May 16, 2018 filed with the Registrar of Companies, Maharashtra, the Designated Stock Exchange and the Securities and Exchange Board of India (“**SEBI**”) under the provisions of SEBI Debt Regulations, the Companies Act, 2013 and rules made thereunder as amended to the extent notified.

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

Particulars	Estimated amount (in ₹ million)
Gross proceeds of the Tranche II Issue*	12,500.0
Less: - Tranche II Issue related expenses**	363.0
Net Proceeds	12,137.0

\*Assuming this Tranche II Issue is fully subscribed and our Company retains oversubscription.

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

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

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

<sup>#</sup>Our Company shall not utilize the proceeds of the Tranche II Issue towards payment of prepayment penalty, if any.

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

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

### 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\*:

Activity	Expenses (in ₹ million)
Fees to intermediaries (Lead Management Fee, brokerage, rating agency, registrar, legal advisors, Debenture Trustees etc.)	337.7
Advertising and Marketing Expenses	23.1

Printing and Stationery	2.2
<b>Total</b>	<b>363.0</b>

*\*Assuming this Tranche II Issue is fully subscribed and our Company retains oversubscription.*

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

Our Company shall pay processing fees to the SCSBs for Application forms procured by the Designated Intermediaries and submitted to the SCSBs for blocking the Application Amount of the applicant, at the rate of ₹ 15 per Application Form procured (plus other applicable taxes). However, it is clarified that in case of Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA Processing Fee.

#### **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 Audit Committee of our Company 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 2019, 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 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.

#### **Other confirmations**

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

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 ordinary 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 Secured 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.

#### **Variation in terms of contract or objects**

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

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

Neither the Promoter nor the Directors of our Company are interested in the Objects of this Tranche II Issue except to the extent of fees required to be paid to JMFL in their capacity as a Lead Manager.

#### **Utilisation of Issue Proceeds**

- a) All monies received pursuant to the Tranche II Issue of Secured NCDs to public shall be transferred to a separate bank account other than the bank account of the Company, as required under 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;
- c) Details of all unutilised monies out of Tranche II 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) We shall utilize the Tranche II Issue proceeds only upon receipt of the minimum subscription and receipt of listing and trading approval from Stock Exchange;
- e) 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; and
- f) Details of all utilized and unutilized 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.



## STATEMENT OF TAX BENEFITS AVAILABLE TO THE DEBENTURE HOLDERS

### **The Board of Directors**

#### **JM Financial Credit Solutions Limited**

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

Dear Sirs,

**Sub: Statement of possible Tax Benefits under Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, available to Debenture Holders of JM Financial Credit Solutions Limited (“Company”) in connection with proposed issue of Non-Convertible Debentures (“Issue”)**

We refer to the proposed issue of Non-Convertible Debentures by the Company. We enclose herewith the statement showing the current positions of tax benefits available to the debenture holders as per the provisions of the Income-tax Act, 1961 (“I.T. Act”) and Income tax Rules, 1962 including amendments made by Finance Act 2018 as applicable for the financial year 2018-19. Several of these benefits are dependent on the Company and its debenture holders fulfilling the conditions prescribed under the relevant provisions of the I.T. Act. Hence, the ability of the debenture holders to derive the tax benefits is dependent upon fulfilling such conditions.

We are informed that the debentures of the Company will be listed on recognised stock exchanges in India. The Annexure has been prepared on that basis.

The benefits discussed in the enclosed Annexure are not exhaustive. This statement 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 the tax consequences and the changing tax laws, each debenture holder is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which a debenture holder can avail. Neither are we suggesting nor are we advising the debenture holders to invest money based on this statement.

We accept no responsibility to debenture holders or any third party and this should be stated in the Draft Shelf Prospectus, Shelf Prospectus and/or Prospectus and/or Tranche Prospectus(es) (collectively the “**Offer Documents**”). The contents of the enclosed statement are based on the 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 and opine or provide any assurance as to whether:

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

This statement is provided solely for the purpose of assisting the Company in discharging its responsibilities under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended.

We hereby give our consent to include enclosed statement regarding the tax benefits available to the Company and to its debenture holders in the Offer Documents for the Issue which the Company intends to file to the BSE Limited, the National Stock Exchange of India Limited, the Securities and Exchange Board of India, the relevant Registrar of Companies in India and any other regulatory authorities as required under the applicable laws, in connection with the Issue provided that the below statement of limitation is included in the Offer Documents.

## **LIMITATIONS**

Our views expressed in the statement enclosed are based on the facts and assumptions indicated above. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the debenture holders who may or may not invest in the Issue relying on the statement.

This statement has been prepared solely in connection with the Issue under the Regulations as amended.

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

(Firm Registration No. 117366W/W-100018)

**G. K. Subramaniam**

Partner

(Membership No. 109839)

Mumbai, May 3, 2018

## ANNEXURE

The information provided below sets out the possible direct tax benefits available to the debenture holders of the company in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of non-convertible debentures (“debentures”), under the current tax laws presently in force in India. Several of these benefits 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 fulfilling such conditions, which, based on commercial imperatives a debenture holder faces, may or may not choose to fulfill. We do not express any opinion or provide any assurance as to whether the Company or its debenture holders will continue to obtain these benefits in future. The following overview is not exhaustive or comprehensive and is not intended to be a substitute for professional advice.

Debenture holders are advised to consult their own tax consultant with respect to the tax implications of an investment in the debentures particularly in view of the fact that certain recently enacted legislation may not have a direct legal precedent or may have a different interpretation on the benefits, which an investor can avail.

Our views expressed in this statement are based on the facts and assumptions as indicated in the statement. 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 change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on this statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on this statement.

This statement has been prepared solely in connection with the Issue under the Regulations as amended.

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

#### A. Under the Income-Tax Act, 1961 (“I.T. Act”)

##### I. Tax benefits available to the Resident Debenture Holders

1. Interest on debentures received by resident 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.

2. As per section 2(29A) 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.

As per section 112 of the I.T. Act, capital gains arising on the transfer of long term capital assets being listed debentures are subject to tax at the rate of 10% plus applicable surcharge and Health and Education Cess (“cess”) of capital gains calculated without indexation of the cost of acquisition. The capital gains shall be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition of the debentures from the sale consideration.

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.

3. As per section 2(42A) of the I.T. Act, a listed debenture is treated as a short term capital asset if the same is held for not more than 12 months immediately preceding the date of its transfer.

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 at para 2 above would also apply to such short term capital gains.

4. In case 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.

5. Securities Transaction Tax (“STT”) is a tax levied on all transactions in specified securities done on the stock exchanges at rates prescribed by the Central Government from time to time. STT is not applicable on transactions in the debentures.

6. Income tax is deductible at source on interest on debentures, payable to resident debenture holders at the time of credit/ payment as per the provisions of section 193 of the I.T. Act. However, no income tax is deductible at source in respect of any security issued by a Company in a dematerialised form and is listed on recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 and the rules made thereunder.

7. 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 194A of the I.T. Act

## II Tax benefits available to the Non-Resident Debenture Holders

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 115C(e) of the Act, the term “non-resident Indian” means an individual, being a citizen of India or a person of Indian origin who is not a “resident”. A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

(b) 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.

(c) 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.

(d) 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.

(e) As per section 115H of the I.T. Act, where a non-resident Indian becomes assessable as resident in India in any subsequent year, he may furnish to the Assessing Officer a declaration in writing along with return of income under section 139 for the assessment year for which he is assessable as a resident, to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to the investment income (other than on shares in an Indian Company) derived from any foreign exchange assets in accordance with and subject to the provisions contained therein. On doing so, the provisions of Chapter XII-A shall continue to apply to him in relation to such income for that assessment year and for every subsequent assessment year until the transfer or conversion (otherwise than by transfer) into money of such assets.

2. In accordance with and subject to the provisions of section 115-I of the I.T. Act, a non-resident Indian may opt not to be governed by the provisions of Chapter XII-A of the I.T. Act. In that case,

(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 of the I.T. Act, and at the normal rates for Short Term Capital Gains if the payee debenture holder is a non resident Indian.

4. 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

5. 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 liability (if net income exceeds Rs. 50,00,000 and does not exceed Rs. 1,00,00,000) and 15% of such tax liability (if net income exceeds Rs. 1,00,00,000) subject to deduction.

(b) In the case of foreign companies, surcharge at the rate of 2% of such tax liability where the income or the aggregate of such income paid or likely to be paid and subject to deduction exceeds Rs. 1,00,00,000 but does not exceed Rs. 10,00,00,000, surcharge at the rate of 5% of such income tax where the income or the aggregate of such income paid or likely to be paid and subject to the deduction exceeds Rs. 10,00,00,000.

(c) Cess is to be applied at 4% on aggregate of base tax and surcharge.

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 TRC does not contain the prescribed particulars, 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 197(1) of the I.T. Act, from the Assessing Officer before the prescribed date of closure of books for payment of debenture interest.

### III Tax benefits available to the Foreign Portfolio Investors ("FPIs")

1. As per Section 2(14) of the I.T. Act, any securities held by 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 FPIs as capital gains.

2. In accordance with and subject to the provisions of section 115AD of the I.T. Act, long term capital gains on transfer of debentures by FPIs are taxable at 10% (plus applicable surcharge and cess) and short-term capital gains are taxable at 30% (plus applicable surcharge and cess). The benefit of cost indexation will not be available. Further, benefit of provisions of the first proviso of section 48 of the I.T. Act will not apply.

3. 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 of the I.T. Act.

4. Section 194LD in the I.T. Act provides for lower rate of withholding tax at the rate of 5% (plus applicable surcharge and cess) on payment by way of interest paid by an Indian company to FPIs 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.

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 FPIs.

### IV Tax benefits available to Mutual Funds

As per section 10(23D) of the Act, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

### V Exemption under Sections 54EE and 54F of the I.T. Act

1. As per provisions of Section 54EE of the I.T. Act, long term capital gains arising to debenture holders on transfer of their debentures in the company shall not be chargeable to tax to the extent such capital gains are invested in certain notified units within six months after the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified units are transferred within three years from their date of acquisition, the amount of capital gain exempted earlier would become chargeable to tax as long term capital gains in the year in which units are transferred. Further, in case where loan or advance on the security of such notified units is availed, such notified units shall be deemed to have been transferred on the date on which such loan or advance is taken. However, the amount of exemption with respect to the investment made in the aforesaid notified units during the financial year in which such debentures are transferred and the subsequent financial year, should not exceed Rs. 50 lacs.

2. 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. 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.

This exemption is available, subject to the condition that the debenture holder does not own more than one residential house at the time of such transfer. If the residential house in which the investment has been made is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such residential house is transferred. Similarly, if the debenture holder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new residential house referred above), then the original exemption will be taxed as capital gains in the year in which the additional residential house is acquired.

#### VI Requirement to furnish PAN under the I.T. Act

1. Section 139A(5A) of the I.T. Act requires every person receiving any sum or income or amount from which tax has been deducted under Chapter XVII-B of the I.T. Act to furnish his PAN to the person responsible for deducting such tax.

2. Section 206AA of the I.T. Act requires every person entitled to receive any sum or income or amount, on which tax is deductible under Chapter XVII-B (“deductee”) to furnish his PAN to the deductor, failing which 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.

3. 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).

#### VII Taxability of Gifts received for nil or inadequate consideration

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

- (a) without consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such debentures or;
- (b) for a consideration which is less than the aggregate fair market value of the debenture by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such debentures as exceeds such consideration;

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

#### NOTES:

- 1. The statement of tax benefits enumerated above is as per the Income-tax Act, 1961, as amended by the Finance Act, 2018.
- 2. Surcharge is levied on individuals, HUF, association of persons, body of individuals and artificial juridical person at the rate of 10% on tax where total income exceeds Rs. 50 lacs but does not exceed Rs. 1 crore and at the rate of 15% on tax where the total income exceeds Rs. 1 crore.
- 3. Surcharge is levied on firm, co-operative society and local authority at the rate of 12% on tax where the total income exceeds Rs. 1 crore.
- 4. Surcharge is levied on domestic companies at the rate of 7% on tax where the income exceeds Rs 1 crore but does not exceed Rs. 10 crores and at the rate of 12% on tax where the income exceeds Rs. 10 crores.

5. Surcharge is levied on every company other than domestic company at the rate of 2% on tax where the income exceeds Rs. 1 crore but does not exceed Rs. 10 crores and at the rate of 5% on tax where the income exceeds Rs. 10 crores.
6. Health and Education Cess is to be applied at 4% on aggregate of base tax and surcharge.
7. Several of the above tax benefits are dependent on the debenture holders fulfilling the conditions prescribed under the relevant tax laws and subject to General Anti Avoidance Rules covered under Chapter X-A of the Act.

## 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 which are relevant to the Issuer. Consequently, there can be no assurance that those are the only differences in the accounting principles that could have a significant impact on the financial information included in this 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. 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><b><u>Other Comprehensive Income:</u></b> There is no concept of ‘Other Comprehensive Income’ under Indian GAAP.</p>	<p><b><u>Other Comprehensive Income:</u></b> Ind AS 1 introduces the concept of Other Comprehensive Income (“<b>OCI</b>”). 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><b><u>Extraordinary items:</u></b> 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</p>	<p><b><u>Extraordinary items:</u></b> 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
		the nature of the event or transaction in relation to the business ordinarily carried out by an entity.	
		<p><b><u>Change in Accounting Policies:</u></b></p> <p>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><b><u>Change in Accounting Policies:</u></b></p> <p>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	Currently, all actuarial gains and losses are recognized immediately	Under Ind AS 19, the change in liability is split into changes arising

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
	benefits	in the statement of profit and loss.	<p>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 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.</p>
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>	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

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
		Currently under Indian GAAP, loan processing fees and/or fees of similar nature are recognized upfront in the Statement of Profit and Loss.	<p>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 &amp; fees) have to be 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	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: <ul style="list-style-type: none"> <li>• Category-wise quantitative data about derivative instruments that are</li> </ul>	<p>Requires disclosure of information about the nature and extent of risks arising from financial instruments:</p> <ul style="list-style-type: none"> <li>• qualitative disclosures about exposures to each type of risk and how those risks are managed; and</li> <li>• quantitative disclosures about exposures to each type of risk, separately for credit risk, liquidity risk and market risk (including sensitivity analysis).</li> </ul>

Sr. No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind-AS
		<p>outstanding at the balance sheet date;</p> <ul style="list-style-type: none"> <li>• The purpose, viz., hedging or speculation, for which such derivative instruments have been acquired; and</li> <li>• The foreign currency exposures that are not hedged by a derivative instrument or otherwise.</li> </ul>	

## SECTION V: ISSUE RELATED INFORMATION

### GENERAL TERMS OF THE ISSUE

#### Authority for the Tranche II Issue

At the meeting of the Board of Directors of our Company, held on April 30, 2018, the Directors approved the issuance to the public of Secured NCDs of face value ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each, aggregating up to ₹ 20,000 million. The Unsecured NCDs shall be in the nature of subordinated debt and shall be eligible for inclusion as Tier II Capital.

The Issue through the Shelf Prospectus of Secured NCDs of face value ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each for an amount aggregating up to ₹ 20,000 million ("**Shelf Limit**"), hereinafter called the "**Issue**" is approved by NCD Public Issue Committee meeting dated May 04, 2018. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant tranche prospectus for any tranche issue (each a "**Tranche Issue**"), which issue is being made as decided by the NCD Public Issue Committee of the Board of Directors.

The present Tranche II Issue through this Tranche II Prospectus is of Secured NCDs with a base issue size of ₹ 2,500 million, with an option to retain oversubscription up to ₹ 10,000 million, aggregating up to ₹ 12,500 million which is within the Shelf Limit, was approved by the NCD Public Issue Committee at its meeting dated November 12, 2018.

Further, the present borrowing is within the borrowing limits of ₹ 125,000 million under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders vide their resolution dated October 25, 2018.

#### Principal terms and conditions of this Tranche II Issue

The Secured NCDs being offered as part of this Tranche II Issue are subject to the provisions of the SEBI Debt Regulations, the relevant provisions of the Companies Act, 2013 and regulations framed by the RBI, 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 Secured NCDs.

#### Ranking of the Secured NCDs

The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, present and future, and shall be secured by way of first ranking pari passu charge on the Company's identified immovable property and first ranking pari passu floating charge on the Company's book debts, loans and advances, and receivables, both present and future, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities. 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 for proceeding with this Issue. The Company 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 25% of the value of the outstanding debentures issued pursuant to 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 this 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 Secured NCDs. Every company required to create or maintain DRR shall on or 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 of the next year, in 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.

### **Face Value**

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

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

The Secured 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, 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. The opinion of the Debenture Trustee as to whether such resolution is affecting the right attached to the NCDs is final and binding on NCD holders. In terms of Section 136 of the Companies Act, 2013 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, 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 in accordance with Applicable Law.
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% 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. If our Company does not receive the minimum subscription of 75% of the Base Issue, being ₹ 1,875 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 the Company and/or Registrar, refunds will be made to the account prescribed. However, where the Company and/or Registrar does not have the necessary information for making such refunds, the Company and/or Registrar will follow the guidelines prescribed by SEBI in this regard including its circulars (bearing CIR/IMD/DF-1/20/2012) dated July 27, 2012 and (bearing CIR/DDHS/P/121/2018) dated August 16, 2018.

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

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

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

Allotment in this Tranche II Issue will be in electronic form and in multiples of one Secured NCD. For details of Allotment see the section titled "*Issue Procedure*" at page 111 of this Tranche II Prospectus.

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

In accordance with Section 72 of the Companies Act, 2013 (read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, the sole Secured NCD Holder or first Secured NCD Holder, along with other joint Secured 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 Secured NCDs. A person, being a nominee, becoming entitled to the Secured NCDs by reason of the death of the Secured NCD Holder(s), shall be entitled to the same rights to which he would be entitled if he were the registered holder of the Secured NCD. Where the nominee is a minor, the Secured NCD Holder(s) may make a nomination to appoint, in the prescribed manner, any

person to become entitled to the Secured NCDs, in the event of the Secured NCD Holder's death during the minority of the nominee. A nomination shall stand rescinded upon sale of the Secured NCDs by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. When the Secured NCDs are held by two or more persons, the nominee shall become entitled to receive the amount only on the demise of all such Secured 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.

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

In accordance with the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, In the event of death of the Secured NCD Holder(s), or where the NCDs are held by more than one person jointly, in the event of death of all the joint Secured NCD Holder(s), the nominee may upon the production of such evidence as may be required by the Board, elect, either:

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

Secured NCD Holders who are holding Secured NCDs in dematerialised form need not make a separate nomination with our Company. Nominations registered with the respective Depository Participant of the Secured NCD Holder will prevail. If the Secured 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 Secured 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 Secured NCDs, until the requirements of the notice have been complied with.

## **Succession**

Where Secured NCDs are held in joint names and one of the joint Secured NCD Holder dies, the survivor(s) will be recognized as the Secured NCD Holder(s). It will be sufficient for our Company to delete the name of the deceased Secured 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 Secured NCD Holder after obtaining evidence such as probate of a will for the purpose of proving his title to the Secured NCDs. In the event of demise of the sole or first holder of the Secured NCDs, our Company will recognise the executors or administrator of the deceased Secured NCD Holders, or the holder of the succession certificate or other legal representative as having title to the Secured 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 Secured NCD Holders who are holding Secured NCDs in dematerialised form, third person is not required to approach the Company to register his name as successor of the deceased Secured NCD Holder. He shall approach the respective Depository Participant of the Secured 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.



## Application in the Issue

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

In terms of Regulation 4(2)(d) of the SEBI Debt Regulations, our Company will make public issue of the NCDs in the dematerialised form only.

However, in terms of Section 8(1) of the Depositories Act, our Company, at the request of the Investors who wish to hold the Secured NCDs in physical form will rematerialise the NCDs. However, any trading of the NCDs shall be compulsorily in dematerialised form only.

## Period of subscription

TRANCHE II ISSUE OPENS ON	NOVEMBER 20, 2018
TRANCHE II ISSUE CLOSES ON	DECEMBER 20, 2018

The Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that this Tranche 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 the NCD Public Issue 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 reputed 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. to 5:00 p.m. or such extended time as may be permitted by BSE, on Working Days during the Issue Period. On the Tranche II Issue Closing Date, Application Forms for the Issue will be accepted only from 10:00 a.m. to 5:00 p.m. or such extended time as may be permitted by BSE, on Working Days during the 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. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by 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 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 the 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.

## Joint-holders

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

## Procedure for rematerialisation of NCDs

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

**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 49 of this Tranche II Prospectus.

## ISSUE STRUCTURE

The following are the key terms of the Secured NCDs. This section should be read in conjunction with, and is qualified in its entirety by more detailed information in "*General Terms of the Issue*" on page 89 of this Tranche II Prospectus

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

Particulars	Terms and Conditions
<b>Minimum Application Size</b>	₹ 10,000 (10 NCD) collectively across all the Options / Series
<b>Mode of allotment</b>	Compulsorily in dematerialised form
<b>Terms of Payment</b>	Full amount on application
<b>Trading Lot</b>	One NCD
<b>Who can apply</b>	<p><b>Category I</b></p> <ul style="list-style-type: none"> <li>Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;</li> <li>Provident funds and pension funds with a minimum corpus of ₹ 250 million, superannuation funds and gratuity funds, which are authorised to invest in the NCDs;</li> <li>Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;</li> <li>Resident Venture Capital Funds registered with SEBI;</li> <li>Insurance companies registered with the IRDA;</li> <li>State industrial development corporations;</li> <li>Insurance funds set up and managed by the army, navy, or air force of the Union of India;</li> <li>Insurance funds set up and managed by the Department of Posts, the Union of India;</li> <li>Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements</li> <li>National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and</li> <li>Mutual funds registered with SEBI.</li> </ul> <p><b>Category II</b></p> <ul style="list-style-type: none"> <li>Companies within the meaning of Section 2(20) of the Companies Act, 2013; statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs;</li> <li>Co-operative banks and regional rural banks;</li> <li>Trusts including Public/private charitable/religious trusts which are authorised to invest in the NCDs;</li> <li>Scientific and/or industrial research organisations, which are authorised to invest in the NCDs;</li> <li>Partnership firms in the name of the partners; and</li> <li>Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009).</li> <li>Association of Persons; and</li> <li>Any other incorporated and/ or unincorporated body of persons</li> </ul> <p><b>Category III</b></p> <ul style="list-style-type: none"> <li>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 / Series of NCDs in the Issue</li> </ul> <p><b>Category IV</b></p> <ul style="list-style-type: none"> <li>Retail Individual Investors - Resident Indian individuals and Hindu</li> </ul>

Undivided Families through the Karta applying for an amount aggregating up to and including INR 1,000,000 across all Options / Series of NCDs in the Issue

*\*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, if the NCDs were originally issued in dematerialised form.*

**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 111 of this Tranche II Prospectus.

## TERMS AND CONDITIONS IN CONNECTION WITH THE SECURED NCDs\*

### Common Terms of Secured NCDs\*

<b>Issuer</b>	JM Financial Credit Solutions Limited.
<b>Lead Managers</b>	A. K. Capital Services Limited, JM Financial Limited**, Edelweiss Financial Services Limited and Trust Investment Advisors Private Limited.
<b>Debenture Trustee</b>	IDBI Trusteeship Services Limited.
<b>Issue</b>	Public issue by our Company of Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each and Unsecured, Rated, Listed, Redeemable, Non-Convertible Debentures of face value of ₹ 1,000 each, for an amount aggregating up to ₹ 20,000 million (" <b>Shelf Limit</b> ") pursuant to the Shelf Prospectus. The Unsecured, Rated, Listed, Redeemable Non-convertible Debentures will be in the nature of subordinated debt and will be eligible for Tier II Capital. Post this Tranche II Issue, our Company may opt to issue Secured NCDs or Unsecured NCDs as part of the subsequent Tranche Prospectus(es).
<b>Tranche II Issue</b>	This Tranche II Issue is for Secured NCDs with a base issue size of an amount up to ₹ 2,500 million, with an option to retain oversubscription up to ₹ 10,000 million, aggregating up to ₹ 12,500 million which is within the Shelf Limit.
<b>Registrar to the Issue</b>	Karvy Computershare Private Limited.
<b>Type and nature of instrument</b>	Secured NCDs of face value of ₹ 1,000.
<b>Base Issue</b>	₹ 2,500 million
<b>Option to retain Oversubscription</b>	Upto ₹ 10,000 million.
<b>Amount</b>	
<b>Face Value (in ₹ / NCD)</b>	1,000/-
<b>Issue Price (in ₹ / NCD)</b>	1,000/-
<b>Minimum application and in multiples of Seniority</b>	₹ 10,000 (10 NCD) collectively across all the Options / Series and in multiples of ₹ 1,000 (1 NCD) after the minimum application amount across all the Options / Series. 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 shall be secured by way of first ranking pari passu charge on the Company's identified immovable property and first ranking pari passu floating charge on the Company's book debts, loans and advances, and receivables, both present and future, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities.
<b>Mode of Issue</b>	Public Issue.
<b>Listing</b>	BSE  BSE shall be the Designated Stock Exchange for the Issue.
<b>Mode of Allotment</b>	The Secured NCDs shall be listed within 6 Working Days from the Tranche II Issue Closing Date. Compulsorily in dematerialised form.

<b>and Trading Mode of settlement</b>	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 95 of this Tranche II Prospectus.				
<b>Market / Trading Lot</b>	One NCD.				
<b>Depositories</b>	NSDL and CDSL.				
<b>Security and asset cover</b>	The Secured NCDs would constitute secured obligations of ours and shall rank pari passu inter se, present and future, and shall be secured by way of first ranking pari passu charge on the Company's identified immovable property and first ranking pari passu floating charge on the Company's book debts, loans and advances, and receivables, both present and future, excluding therefrom such portion of the receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness which are / will not be offered to other lenders for their credit facilities. Our Company has created the security for the Secured NCDs in favour of the Debenture Trustee for the Secured NCD Holders on the assets to ensure 100% security cover of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. For further details please refer to the section titled " <i>Issue Structure</i> " beginning on page 95 and " <i>Issue Structure-Security</i> " beginning on page 109 of this Tranche II Prospectus.				
<b>Who can apply/ Eligible Investors Credit Ratings</b>	Please refer to the section titled " <i>Issue Procedure</i> " beginning on page 111 of this Tranche II Prospectus.				
	<b>Rating agency</b>	<b>Instrument</b>	<b>Rating symbol</b>	<b>Date of credit rating letter</b>	<b>Amount rated (in million)</b>
	ICRA	Non Convertible Debenture	AA/Stable	April 27, 2018 and further revalidated on November 1, 2018	20,000
					Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations.
	India Ratings	Non Convertible Debenture	AA/Stable	April 27, 2018 which has been revalidated on November 1, 2018	20,000
					Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations.
<b>Pay-in date</b>	Please refer to Annexure A and B of this Tranche II Prospectus for rating letter and rationale for the above ratings. Please refer to the disclaimer clause of ICRA and India Ratings under the chapter " <i>General Information</i> " on page 15 of this Tranche II Prospectus.				
<b>Application money</b>	Application Date. The entire Application Amount is payable on Application.				
<b>Record Date</b>	The entire application amount is payable on submitting the application.				
	The Record Date for payment of interest in connection with the Secured 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 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 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.				
<b>Issue Schedule***</b>	The Issue shall be open from November 20, 2018 to December 20, 2018 with an option to close earlier and/or extend upto a period as may be determined by the NCD Public Issue Committee.				
<b>Objects of the Issue</b>	Please refer to the section titled " <i>Objects of the Tranche II Issue</i> " on page 74 of this Tranche II Prospectus.				
<b>Details of the utilisation of Issue proceeds</b>	Please refer to the section titled " <i>Objects of the Tranche II Issue</i> " on page 74 of this Tranche II Prospectus.				
<b>Coupon rate, coupon</b>	Please refer to the section titled " <i>Issue Structure</i> " beginning on page 95 of this Tranche II				

<b>payment date and redemption premium/discount</b>	Prospectus.
<b>Step up/ Step down interest rates</b>	N.A.
<b>Interest type</b>	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 95 of this Tranche II Prospectus.
<b>Interest reset process</b>	N.A.
<b>Tenor</b>	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 95 of this Tranche II Prospectus.
<b>Coupon payment frequency</b>	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 95 of this Tranche II Prospectus.
<b>Redemption date</b>	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 95 of this Tranche II Prospectus.
<b>Redemption Amount</b>	Please refer to the section titled “ <i>Issue Structure</i> ” beginning on page 95 of this Tranche II Prospectus.
<b>Day count convention</b>	Actual/Actual
<b>Working Days convention/Day count convention / Effect of holidays on payment</b>	<p>Working Day(s) shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche II Issue Closing Date to listing of the Secured NCDs, Working Days shall be all trading days of stock exchanges excluding Sundays and bank holidays in Mumbai.</p> <p>Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the Secured NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.</p> <p>If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.</p> <p>If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the Secured NCDs until but excluding the date of such payment. The interest payments shall be made only on the subsequent day when the money market is functioning in Mumbai.</p>
<b>Tranche II Issue Opening Date</b>	November 20, 2018
<b>Tranche II Issue Closing Date</b>	December 20, 2018
<b>Default interest rate</b>	Our Company shall pay interest in connection with any delay in allotment, refunds, listing, dematerialized credit, payment of interest, redemption of principal amount beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated/ prescribed under applicable laws.
<b>Put/Call Date/Price/notification time</b>	N.A.
<b>Call Notification Time / Put Notification Time</b>	N.A.
<b>Deemed Date of Allotment</b>	The date on which the Allotment Committee of the Board approves the Allotment of the Secured NCDs for the Tranche II Issue or such date as may be determined by the Board of Directors or the NCD Public Issue Committee and notified to the Designated Stock Exchange. The actual Allotment of Secured NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the Secured NCDs including interest on Secured NCDs shall be available to the Debenture holders from the Deemed Date of Allotment.
<b>Transaction documents</b>	Issue Agreement dated May 4, 2018 and further amended and restated by agreement dated November 09, 2018 between our Company and the Lead Managers, the Registrar Agreement dated May 04, 2018 and further amended and restated by agreement dated November 09, 2018 with the Registrar to the Issue, the Public Issue Account Agreement dated November 09, 2018 with the Public Issue Account Bank, the Refund Bank, the Lead Managers and the Registrar to the Issue, the Lead Broker Agreement dated November 09, 2018 with the Lead Brokers and Lead

<b>Conditions precedent and subsequent to the Issue</b> <b>Events of default</b> <b>Cross Default</b> <b>Roles and responsibilities of the Debenture Trustee</b> <b>Governing law and jurisdiction</b>	Managers, the Debenture Trustee Agreement dated May 04, 2018 executed between our Company and the Debenture Trustee and the Debenture Trust Deed dated June 05, 2018 executed between our Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Issue and to protect the interest of NCD Holders under the Issue.
	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedent and subsequent to disbursement. For further details, please refer to “ <i>Objects of the Tranche II Issue – Utilisation of Issue Proceeds</i> ” on page 76 of this Tranche II Prospectus.
	Please refer to the section titled “ <i>Issue Structure</i> ” on page 95 of this Tranche II Prospectus.
	Please refer to the section titled “ <i>Issue Structure</i> ” on page 95 of this Tranche II Prospectus.
	Please refer to the section titled “ <i>Terms of the Issue-Trustees for the NCD Holders</i> ” on page 110 of this Tranche II Prospectus.
	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 Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the Secured NCDs post allotment in physical form, will fulfill such request through the process of rematerialisation, if the Secured NCDs were originally issued in dematerialised form.*

*\*\*In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, JMFL will be involved only in marketing of the Issue.*

*\*\*\*This Tranche II Issue shall remain open for subscription on Working Days from 10:00 a.m. to 5:00 p.m., during the period indicated above, except that the 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 the NCD Public Issue Committee. In the event of such an early closure 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 reputed 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. to 5:00 p.m. or such extended time as may be permitted by BSE, on Working Days during the 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. and uploaded until 5:00 p.m. (Indian Standard Time) or such extended time as may be permitted by BSE.*

Please refer to Annexure D 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 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
Frequency of Interest Payment	Annual	Cumulative	Annual	Monthly	Annual	Monthly
Who can apply	All category of investors can subscribe to all Series of NCDs					
Minimum Application	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)	₹ 10,000 (10 NCDs)
In multiples of thereafter	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)	₹ 1,000 (1 NCD)
Face Value of Secured NCDs (₹ / NCD)	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000
Issue Price (₹ / NCD)	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000	₹ 1,000
Tenor from Deemed Date of Allotment	42 months	42 months	60 months	60 months	120 months	120 months
Coupon Rate	10.00%	N.A.	10.10%	9.67%	10.25%	9.81%
Effective Yield (Per annum) *****	10.02%	10.00%	10.09%	10.10%	10.24%	10.25%
Mode of Interest Payment	Through various options available					
Redemption Amount (₹ / NCD) ****	₹ 1,000.00	₹ 1,396.15	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00	₹ 1,000.00
Maturity Date (From Deemed Date of Allotment)	42 months	42 months	60 months	60 months	120 months	120 months
Nature of indebtedness	Secured rated listed non-convertible debentures					

\*\*\*\* Our Company shall allocate and allot Option III Secured NCDs wherein the Applicants have not indicated their choice of the relevant Secured NCD Series

## Eligibility to receive additional incentive

As on every Record Date fixed by the Company for the payment of Coupon/Interest, all the NCD Holders of the Tranche II Issue to whom the NCDs are allotted by the Company on the Deemed Date of Allotment and to whom allotment of NCDs was made by the Company on the Deemed Date of Allotment defined in Tranche I Issue, shall be eligible for receiving additional Coupon/Interest rate amounting to 0.15% p.a., payable over and above the specific Coupon/Interest rate for the Options/Series subscribed in the Tranche II Issue. The additional incentive will be paid to those NCD Holders who have applied for Options/Series III, IV, V and VI, i.e. Options/Series having tenures of 60 months or 120 months only. Further, the additional incentive would be applicable across all categories of investors.

Identification of the above NCD Holders would be conducted by way of their DP identification and/or PAN and/or entries made in the Register of NCD Holders.

To clarify, additional Coupon/Interest will not be paid for the NCDs bought/acquired by the NCD Holders through secondary market/open market.



## Interest and Payment of Interest

For avoidance of doubt, with respect to Option IV and Option VI 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 following that subsequent month.

With respect to Option I, Option III and Option V 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 an annual basis at 10.00% 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 42 months from the Deemed Date of Allotment.

In case of Option II Secured NCDs, shall be redeemed at the end of 42 months from the Deemed Date of Allotment at the following amount as on the Record Date.

Category of NCD Holder	Face Value (Rs per NCD)	Premium Amount (Rs per NCD)	Aggregate payable at the time of redemption
All Category of Investor	1,000	396.15	1,396.15

In case of Option III Secured NCDs, interest would be paid on an annual basis at 10.10% 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 a monthly basis at 9.67% 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 60 months from the Deemed Date of Allotment.

In case of Option V Secured NCDs, interest would be paid on an annual basis at 10.25% 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 120 months from the Deemed Date of Allotment.

In case of Option VI Secured NCDs, interest would be paid on a monthly basis at 9.81% 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 120 months from the Deemed Date of Allotment.

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest payments shall be made only on the subsequent day when the money market is functioning in Mumbai.

*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.*

## **B. Eligibility for additional incentive**

As on every Record Date fixed by the Company for the payment of Coupon/Interest, all the NCD Holders of the Tranche II Issue to whom the NCDs are allotted by the Company on the Deemed Date of Allotment and to whom allotment of NCDs was made by the Company on the Deemed Date of Allotment defined in Tranche I Issue, shall be eligible for receiving additional Coupon/Interest rate amounting to 0.15% p.a., payable over and above the specific Coupon/Interest rate for the Options/Series subscribed in the Tranche II Issue. The additional incentive will be paid to those NCD Holders who have applied for Options/Series III, IV, V and VI, i.e. Options/Series having tenures of 60 months or 120 months only. Further, the additional incentive would be applicable across all categories of investors.

Identification of the above NCD Holders would be conducted by way of their DP identification and/or PAN and/or entries made in the Register of NCD Holders.

To clarify, additional Coupon/Interest will not be paid for the NCDs bought/acquired by the NCD Holders through secondary market/open market.

## **C. Taxation**

As per clause (ix) of Section 193 of the IT Act, no tax is required to be withheld on any interest payable on any security issued by a company, where such security is in dematerialized form and is listed on a recognized stock exchange in India in accordance with the 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 III, Option V, 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. For Secured NCDs subscribed under Option IV and VI, 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. For Secured NCDs subscribed under Option II, such Secured NCDs shall be redeemed at the end of 42 months from the Deemed Date of Allotment.

If the Interest Payment Date falls on a day other than a Working Day, the interest payment shall be made by the Company on the immediately succeeding Working Day and calculation of such interest payment shall be as per original schedule as if such Interest Payment Date were a Working Day. Further, the future Interest Payment Dates shall remain intact and shall not be changed because of postponement of such interest payment on account of it falling on a non-Working Day. Payment of interest will be subject to the deduction of tax as per Income Tax Act or any statutory modification or re-enactment thereof for the time being in force.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest payments shall be made only on the subsequent day when the money market is functioning in Mumbai.

Interest shall be computed on an actual/actual basis i.e. on the principal outstanding on the NCDs as per the SEBI Circular bearing no. CIR/IMD/DF-1/122/2016 dated November 11, 2016.

#### **Mode of 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 NCDs 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 NCD Holders. In such cases, interest, on the interest payment date, would be directly credited to the account of those investors who have given their bank mandate.

We may offer the facility of NACH, NEFT, RTGS, Direct Credit and any other method permitted by RBI and SEBI from time to time to effect payments to NCD Holders. The terms of this facility (including towns where this facility would be available) would be as prescribed by RBI. For further details see the section titled "*Issue Structure - Manner of Payment of Interest / Refund / Redemption*" beginning at page 104 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 102. The last interest payment will be made at the time of redemption of the Secured NCD.

<b>Options / Series</b>	<b>Maturity period/Redemption (as applicable)</b>
I	42 months from the Deemed Date of Allotment
II	42 months from the Deemed Date of Allotment
III	60 months from the Deemed Date of Allotment
IV	60 months from the Deemed Date of Allotment
V	120 months from the Deemed Date of Allotment
VI	120 months from the Deemed Date of Allotment

Option II Secured NCDs shall be redeemed at ₹ 1,396.15 per NCD for all categories of Investors at the end of 42 months from the Deemed Date of Allotment.

If Redemption Date (also being the last Interest Payment Date) falls on a day that is not a Working Day, the Redemption Amount shall be paid by the Company on the immediately preceding Working Day along with interest accrued on the NCDs until but excluding the date of such payment. The interest payments shall be made

only on the subsequent day when the money market is functioning in Mumbai.

### **Deemed Date of Allotment**

The date on which the Allotment Committee of the Board approves the Allotment of the NCDs for each Tranche II Issue or such date as may be determined by the Board of Directors or the NCD Public Issue Committee and notified to the Designated Stock Exchange. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment.

### **Application Size**

Each application should be for a minimum of 10 Secured NCDs and multiples of 1 Secured NCD thereafter (for all Options / Series of Secured NCDs, namely Option I, Option II, Option III, Option IV, Option V, Option VI either taken individually or collectively). The minimum application size for each application for Secured NCDs would be ₹ 10,000 and in multiples of ₹ 1,000 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 the 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 date for payment of interest in connection with the Secured 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 or a date notified by the Company to the Stock Exchange, 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 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 Secured 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 on account of rematerialization***

The bank details will be obtained from the Registrar to the Issue for payment of interest / redemption as the case may be. Please see the procedure for "Issue Procedure-Rematerialisation of Secured NCDs" starting at page 93 of this Tranche II Prospectus.

\*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 interest / refund / redemption 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 interest / refund / redemption 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 interest / refund / redemption 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 / refund / 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 interest / refund / redemption amounts, 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 amounts 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 amounts / 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 NCDs, for any delay in receiving credit of interest / 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 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 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 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 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 on account of rematerialisation, a single certificate will be issued to the 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 Secured NCDs held under different Options / Series, by a Secured NCD Holder, separate Consolidated Certificates will be issued to the Secured 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 NCD Holder, split such Consolidated Certificates into smaller denominations subject to the minimum of Market Lot. No fees would be charged for splitting of NCD certificates in Market Lots, but stamp duty payable, if any, would be borne by the NCD Holder. The request for splitting should be accompanied by the original NCD certificate which would then be treated as cancelled by us.

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

The procedure for redemption is set out below:

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

No action would ordinarily be required on the part of the NCD Holder at the time of redemption and the redemption proceeds would be paid to those NCD Holders whose names stand in the register of debenture holders maintained by us on the Record Date fixed for the purpose of Redemption. The payment on redemption of the Secured NCDs will be made by way of cheque/pay order/ electronic modes. However, our Company may require that the NCD certificate(s), duly discharged by the sole holder/all the joint-holders (signed on the reverse of the NCD certificates) be surrendered for redemption on maturity and should be sent by the NCD Holders by Registered Post with acknowledgment due or by hand delivery to our office or to such persons at such addresses as may be notified by us from time to time. NCD Holders may be requested to surrender the NCD certificates in the manner as stated above, not more than three months and not less than one month prior to the redemption date so as to facilitate timely payment.

We may at our discretion redeem the Secured NCDs without the requirement of surrendering of the Secured NCD certificates by the holder(s) thereof. In case we decide to do so, the holders of Secured NCDs need not submit the NCD certificates to us and the redemption proceeds would be paid to those 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 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 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 on account of rematerialization***

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

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

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

Further, we will not be liable to pay any interest, income or compensation of any kind from the date of redemption of the 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 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 the Companies Act, 2013, 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 on account of rematerialization***

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 Secured 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 Secured NCDs and thereby convert his dematerialised holding into physical holding. Thereafter these Secured NCDs can be transferred in the manner as stated above for transfer of Secured NCDs held in physical form.

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

Any trading of the NCDs issued pursuant to this 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, pursuant to rematerialisation, the person for the time being appearing in the register of Secured NCD Holders shall be treated for all purposes by our Company, the Debenture Trustee, the Depositories and all other persons dealing with such person as the holder thereof and its absolute owner for all purposes whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, theft or loss of the Consolidated NCD Certificates issued in respect of the Secured NCDs and no person will be liable for so treating the Secured NCD holder.

No transfer of title of a Secured NCD will be valid unless and until entered on the register of Secured 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 Secured 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 provisions of the Companies Act, 2013 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 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 Secured NCD Certificate(s) issued in physical form**

If Secured NCD certificate(s), pursuant to rematerialisation if any, 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 Secured 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 Secured 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 Secured NCD certificate, the original Secured 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 is secured by way of first *pari passu* charge on the identified immovable property and a first ranking *pari passu* floating charge on book debts, loans and advances, and receivables, both present and future, of our Company excluding therefrom such portion of the Receivables secured or to be secured for the purposes of maintaining 'security cover' (by whatever name called) in connection with all other indebtedness of the Company, whether by way of loan or debentures or otherwise, under the terms of such other indebtedness.

Our Company has created 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 dated June 05, 2018, ('**Debenture Trust Deed**'), the terms of which govern the appointment of the Debenture Trustee and the issue of the Secured NCDs. Our Company will utilize the funds only 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 provides 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 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 have executed the 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 Secured NCD Holders, give notice to our Company specifying that the Secured 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 are 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) default is committed in payment of any interest on the Secured 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 or unsecured debentures and/or raise term loans or raise further funds subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, 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.

### **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 Annexure D.

## 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 Secured 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 DESIGNATED INTERMEDIARIES WHO WISH TO COLLECT AND UPLOAD APPLICATION IN THIS TRANCHE II 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 THIS 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 GRIEVANCES ARISING FROM APPLICATIONS THROUGH TRADING DESIGNATED INTERMEDIARIES REGISTERED WITH SUCH STOCK EXCHANGE.**

**Please note that for the purposes of this section, the term “Working Day” shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India. Furthermore, for the purpose of post issue period, i.e. period beginning from Tranche II Issue Closing Date to listing of the Secured NCDs, Working Days shall mean all days excluding Sundays or a holiday of commercial banks in Mumbai or a public holiday in India.**

### **Who can apply?**

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

### **Category I**

- Public financial institutions, scheduled commercial banks, and Indian multilateral and bilateral development financial institutions which are authorised to invest in the NCDs;
- Provident funds and pension funds with a minimum corpus of ₹ 250 million, 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 registered with the RBI and having a net-worth of more than ₹ 5,000 million as per the last audited financial statements
- National Investment Fund set up by resolution no. F.No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India; and
- Mutual funds registered with SEBI.

### **Category II**

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

### **Category III**

- High Net-worth Individual Investors ("**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 / Series of NCDs in the 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 / Series of NCDs in the 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.

All categories of persons who are individuals or natural persons (including Hindu Undivided Families acting through their Karta) including without limitation HNIs and Retail Individual Investors who are eligible under applicable laws to hold the NCDs are collectively referred to as "Individuals". All categories of entities, associations, organizations, societies, trusts, funds, partnership firms, Limited Liability Partnerships, bodies corporate, statutory and/or regulatory bodies and authorities and other forms of legal entities who are NOT individuals or natural persons and are eligible under applicable laws to hold the Secured NCDs including without limitation Institutional Investors and Non Institutional Investors are collectively referred to as "Non Individuals".

**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**

### **Secured 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 this Tranche II Prospectus.

### **How to apply?**

#### **Availability of 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 together with Application Forms cum Abridged Prospectus and copies of this Tranche II 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, the Tranche II Prospectus and the Application Forms will be available

- (i) for download on the website of BSE at [www.bseindia.com](http://www.bseindia.com), and the website of the Lead Managers at [www.akgroup.co.in](http://www.akgroup.co.in), [www.jmfl.com](http://www.jmfl.com), [www.edelweissfin.com](http://www.edelweissfin.com) and [www.trustgroup.in](http://www.trustgroup.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 unique application number ("UAN") will be generated for every Application Form downloaded from the websites 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.

### **Method of Application**

An eligible investor desirous of applying in this Tranche II Issue can make Applications solely 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 Secured NCDs under this 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 can submit their Applications by submitting the Application Forms in physical mode to the SCSB with whom the ASBA Account is maintained or through the Designated Intermediaries prior to or on the Tranche II Issue Closing Date. **Applications through the Designated Intermediaries are permitted only at the Syndicate ASBA Application Locations (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bangalore, Hyderabad, Pune, Vadodara and Surat).** Kindly note that Application Forms submitted by Applicants to the Designated Intermediaries at the Syndicate ASBA Application 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 to deposit the Application Form (A list of such branches is available at <http://www.sebi.gov.in>). The Designated Intermediaries shall accept Applications only at the Syndicate ASBA Application Locations and should ensure that they verify the details about the ASBA Account and relevant SCSB prior to accepting the Application Form.

Designated Intermediaries shall, upon receipt of physical Application Forms, 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 in accordance with the Debt Application Circular.

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

Our Company, our directors, affiliates, associates and their respective directors and officers, Lead Managers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs and 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 Stock Exchange.

Designated Intermediaries are also required to ensure that the Applicants are competent to contract under the Indian Contract Act, 1872 including minors applying through guardians, at the time of acceptance of the Application Forms.

### **Application Size**

Each application should be for a minimum of 10 Secured NCDs and multiples of 1 Secured NCD thereafter (for all Options / Series of Secured NCDs, namely Option I, Option II, Option III, Option IV, Option V, Option VI either taken individually or collectively). The minimum application size for each application for Secured NCDs would be ₹ 10,000 and in multiples of ₹ 1,000 thereafter.

## **APPLICATIONS BY VARIOUS APPLICANT CATEGORIES**

### **Applications by Mutual Funds**

Pursuant to a recent SEBI circular SEBI/HO/IMD/DF2/CIR/P/2017/14 dated February 22, 2017 (“**SEBI Circular 2017**”), mutual funds are required to ensure that the total exposure of debt schemes of mutual funds in a particular sector shall not exceed 25.0% of the net assets value of the scheme. Further, the additional exposure limit provided for financial services sector not exceeding 15% of net assets value of scheme shall be allowed only by way of increase exposure to HFCs. Further, the group level limits for debt schemes and the ceiling be fixed at 20.0% of net assets value extendable to 25.0% of net assets value after trustee approval.

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 Secured 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 (ii) 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 Secured NCDs in whole or in part, in either case, without assigning any reason therefor.

### **Application by Scheduled Commercial Banks, Co-operative Banks and RRBs**

Commercial Banks, Co-operative banks and Regional Rural Banks can apply in the Issue based on their own investment limits and approvals. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution

authorising investments/containing operating instructions; and (iv) specimen signatures of authorised signatories. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

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

#### **Application by Non-banking financial companies**

Non-banking financial companies can apply in this Tranche II Issue based upon their own investment limits and approvals. Applications by them for Allotment of the Secured NCDs must be accompanied by certified true copies of (i) their memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) a board resolution authorising investments; and (iv) specimen signatures of authorised signatories. Failing this, our Company reserves the right to accept or reject any Application for Allotment of the Secured 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 'alternative investment funds' eligible to invest in accordance with the Securities and Exchange Board of India (Alternative Investment Fund) Regulations, 2012, as amended (the "**SEBI AIF Regulations**") for Allotment of the Secured NCDs must be accompanied by certified true copies of (i) SEBI registration certificate; (ii) a resolution authorising investment and containing operating instructions; and (iii) specimen signatures of authorised persons. The Alternative Investment Funds shall at all times comply with the requirements applicable to it under the SEBI AIF Regulations and the relevant notifications issued by SEBI.

**Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason therefor.**

#### **Applications by Trusts**

In case of Applications made by trusts, settled under the Indian Trusts Act, 1882, as amended, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must submit a (i) certified copy of the registered instrument for creation of such trust, (ii) Power of Attorney, if any, in favour of one or more trustees thereof, (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Further, any trusts applying for Secured NCDs pursuant to this Tranche II Issue must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in debentures, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in debentures, and (c) Applications made by them do not exceed the investment limits or maximum number of Secured NCDs that can be held by them under applicable statutory and or regulatory provisions. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

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

The Application must be accompanied by certified true copies of: (i) Any Act/ Rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

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

The Application must be accompanied by certified true copies of: (i) Any Act/ Rules under which they are incorporated; (ii) Board Resolution authorising investments; and (iii) Specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason therefor.**

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

Applications by scientific and/ or industrial research organisations which are authorised to invest in the Secured 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 Secured 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 Secured 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 Secured NCDs**

Applications by provident funds, pension funds, superannuation funds and gratuity funds which are authorised to invest in the Secured NCDs, for Allotment of the Secured NCDs must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) a power of attorney, if any,



in favour of one or more trustees thereof, (ii) a board resolution authorising investments; (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (iv) specimen signature of authorized person; (v) a certified copy of the registered instrument for creation of such fund/trust; and (vi) any tax exemption certificate issued by Income Tax authorities. **Failing this, our Company reserves the right to accept or reject any Applications for Allotment of the Secured NCDs in whole or in part, in either case, without assigning any reason therefor.**

**Applications by National Investment Funds 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;**

Application made by a National Invest Fund for Allotment of the Secured 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 Secured 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 also need to be mentioned on the Application Form);
- (b) Foreign nationals;
- (c) Persons resident outside India;
- (d) Foreign Institutional Investors/Foreign Portfolio 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.

*\*Applicant shall ensure that guardian is competent to contract under Indian Contract Act, 1872*

*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.*

**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 Secured NCDs only in dematerialized form.

### **Filing of the Tranche II Prospectus with ROC**

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

### **Pre-Issue Advertisement**

Our Company will issue a statutory advertisement 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 completing the Application Form**

- (a) Applications must be made in the prescribed Application Form.
- (b) Application Forms are to be completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in the Shelf Prospectus, the Tranche II Prospectus and the Application Form. Incomplete Application Forms are liable to be rejected. Applicants should note that the Designated Intermediaries, will not be liable for errors in data entry due to incomplete or illegible Application Forms.
- (c) Applications are required to be for a minimum of such Secured NCDs and in multiples of one Secured NCD thereafter as specified in this Tranche II Prospectus.
- (d) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
- (e) Applications should be in single or joint names and not exceeding three names, and in the same order as their Depository Participant details and Applications should be made by Karta in case the Applicant is an HUF. Applicants are required to ensure that the PAN Details of the HUF are mentioned and not those of the Karta.
- (f) Applicants must provide details of valid and active DP ID, Client ID and PAN clearly and without error. On the basis of such Applicant's active DP ID, Client ID and PAN provided in the Application Form, and as entered into the electronic Application system of the Stock Exchange by SCSBs or 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 Secured NCDs.
- (g) If the ASBA Account holder is different from the Applicant, the Application Form should be signed by the ASBA Account holder also, in accordance with the instructions provided in the Application Form.
- (h) All Applicants are required to tick the relevant column in the "Category of Investor" box in the Application Form.
- (i) Applications for all the Options / Series of the Secured NCDs may be made in a single Application Form only.
- (j) Applicants must ensure that their Application Forms are made in a single or joint names (not more than three).

**Applicants should note that neither the Lead Managers, Designated Intermediaries, nor Designated Branches, as the case may be, will be liable for error in data entry due to incomplete or illegible Application Forms. Our Company would allot Option III Secured NCDs, as specified in this Tranche II**

**Prospectus to all valid Applications, wherein the Applicants have not indicated their choice of the relevant series of Secured NCDs.**

#### **Applicants' PAN, Depository Account and Bank Account Details**

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

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

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

The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar except in relation to the Tranche II Issue.

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

In case of Applications made under powers of attorney, our Company in its absolute discretion, reserves the right to permit the holder of a power of attorney to request the Registrar that the Demographic Details obtained from the Depository of the Applicant shall be used.

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

#### **Electronic registration of Applications**

- (a) The Designated Intermediaries will register the Applications using the on-line facilities of Stock Exchange. The Lead Managers, our Company, and the Registrar are not responsible for any acts, mistakes or errors or omission and commissions in relation to (i) the Applications accepted by the SCSBs and Designated Intermediaries, (ii) the Applications uploaded by the SCSBs and the Designated Intermediaries, (iii) the Applications accepted but not uploaded by the SCSBs or the Designated Intermediaries, (iv) with respect to Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts or (iv) with respect to Applications accepted and uploaded by Designated Intermediaries at the Syndicate ASBA Application Locations for which the Application Amounts are not blocked by the SCSBs.

- (b) The Stock Exchange 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 Issue Period. 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 Exchange. This information will be available with the Designated Intermediaries and the Designated Branches of the SCSBs on a regular basis. Applicants are cautioned that a high inflow of high volumes on the last day of the Issue Period may lead to some Applications received on the last day not being uploaded and such Applications will not be considered for allocation.
- (c) At the time of registering each Application, SCSBs and Designated Intermediaries, shall enter the details of the Applicant, such as the Application Form number, PAN, Applicant category, DP ID, Client ID, number and Option(s) of Secured NCDs applied, Application Amounts, and any other details that may be prescribed by the online uploading platform of the Stock Exchange.
- (d) A system generated TRS will be given to the Applicant as a proof of the registration of his Application. It is the Applicant's responsibility to obtain the TRS from the SCSBs or Designated Intermediaries, as the case may be. The registration of the Applications by the SCSBs or Designated Intermediaries does not guarantee that the Secured NCDs shall be allocated/ Allotted by our Company. Such TRS will be non-negotiable and by itself will not create any obligation of any kind.
- (e) The permission given by the Stock Exchange to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, and/or the Lead Managers are cleared or approved by the Stock Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Tranche II Prospectus; nor does it warrant that the Secured NCDs will be listed or will continue to be listed on the Stock Exchange.
- (f) In case of apparent data entry error by the Designated Intermediaries in entering the Application Form number in their respective schedules, other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange.
- (g) Only Applications that are uploaded on the online system of the Stock Exchange shall be considered for Allotment. The Designated Intermediaries and the Designated Branches of the SCSBs shall capture all data relevant for the purposes of finalizing the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchange. 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 Issue Period after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.
- (h) the aggregate demand for Applications registered on the electronic facilities of the Stock Exchange, a graphical representation of consolidated demand for the NCDs, as available on the websites of the Stock Exchange, would be made available at the Application centres as provided in the Application Form during the Issue Period.

## **General Instructions**

### ***Do's***

- **Check if you are eligible to apply as per the terms of the Draft Shelf Prospectus, the Shelf Prospectus, the Tranche II Prospectus and applicable law;**
- **Read all the instructions carefully and complete the Application Form;**
- Ensure that the details about Depository Participant and beneficiary account are correct and the beneficiary account is active;

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

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

- Ensure that the Demographic Details as provided in the Application Form are updated, true and correct in all respects;
- Ensure that you request for and receive a TRS for all your Applications and an acknowledgement as a proof of having been accepted;
- For Applicants applying through Syndicate ASBA, ensure that your Application Form is submitted to the Designated Intermediaries and not to the Public Issue Account Banks or Refund Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue;
- Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of the Secured NCDs;
- Ensure that signatures other than in the languages specified in the Eighth Schedule to the Constitution of India is attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
- Ensure that your Application Form bears the stamp of the relevant SCSB or Designated Intermediary to whom the Application is submitted;
- All Applicants are requested to tick the relevant column "Category of Investor" in the Application Form;
- Tick the Option of Secured NCDs in the Application Form that you wish to apply for;

- Before submitting the physical Application Form with the Designated Intermediary at the Syndicate ASBA Application Locations ensure that the SCSB, whose name has been filled in the Application Form, has named a branch in that centre;
- Ensure that the Application Form is signed by the ASBA Account holder in case the Applicant is not the account holder;
- Ensure that you have mentioned the correct ASBA Account number in the Application Form; and
- Ensure that you have correctly ticked, provided or checked the authorisation box in the Application Form, or have otherwise provided an authorisation to the SCSB *via* the electronic mode, for the Designated Branch to block funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form.

### ***Don'ts***

- Do not apply for lower than the minimum Application size;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
- Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar;
- Do not fill up the Application Form such that the Secured NCDs applied for exceeds the Issue Size and/or investment limit or maximum number of Secured NCDs that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit Applications on plain paper or on incomplete or illegible Application Forms;
- Do not submit an Application in case you are not eligible to acquire the Secured NCDs under applicable law or your relevant constitutional documents or otherwise;
- Do not submit the Application Forms without the Application Amount;
- Do not apply if you are not competent to contract under the Indian Contract Act, 1872;
- Do not make payment of the Application Amounts in any mode other than through blocking of the Application Amounts in the ASBA Accounts;
- Do not submit the Application Form with a Designated Intermediary at a location other than the Syndicate ASBA Application Locations;
- Do not send your physical Application Form by post. Instead submit the same with a Designated Branch of the SCSB or a Designated Intermediary; and
- Do not submit more than five Application Forms per ASBA Account.

## **OTHER INSTRUCTIONS**

### **Joint Applications**

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

## **Additional/ Multiple Applications**

An Applicant is allowed to make one or more Applications for the Secured NCDs for the same or other Options / Series of Secured NCDs, subject to a minimum Application size of ₹ 10,000 and in multiples of ₹ 1,000 thereafter (for all options of Secured NCDs, namely Option I, Option II, Option III, Option IV, Option V, Option VI either taken individually or collectively), for each Application. Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid Application and shall be rejected. However, any Application made by any person in his individual capacity and an Application made by such person in his capacity as a Karta of an HUF and/or as joint Applicant (second or third applicant), shall not be deemed to be multiple Applications.

## **Depository Arrangements**

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

- (i) Tripartite Agreements dated July 29, 2016 and July 27, 2016, 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) 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.
- (iv) It may be noted that Secured NCDs in electronic form can be traded only on stock exchanges having electronic connectivity with NSDL or CDSL. The Stock Exchanges have connectivity with NSDL and CDSL.
- (v) Interest or other benefits with respect to the Secured NCDs held in dematerialised 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.
- (vi) The trading of the Secured NCDs on the floor of the Stock Exchange shall be in dematerialized form in multiples of One Secured NCD only.

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

For further information relating to Applications for Allotment of the Secured NCDs in dematerialised form, see the sections titled "*Issue Procedure – Method of Application*" and "*Issue Procedure – General Instructions*" at pages 113 and 120 of this Tranche II Prospectus respectively.

## **Communications**

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

Applicants can contact our Compliance Officer as well as the contact persons of our Company/ Lead Managers or the Registrar in case of any Pre-Issue related problems. In case of Post-Issue related problems such as credit of Secured NCDs in depository's beneficiary account, refunds etc., Applicants may contact our Compliance Officer as well as the contact persons of our Company/Lead Managers or Registrar. Please note that Applicants who have applied for the Secured NCDs through Designated Intermediaries should contact the Stock Exchange in case of any Post-Issue related problems, such as credit of Secured NCDs in depository's beneficiary account, refunds, etc.

## Interest in case of Delay

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

## Rejection of Applications

*“Issue Procedure-Applications may be rejected on one or more technical grounds”* listed on this page 124 of this Tranche II Prospectus 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:***

- Number of Secured NCDs applied for being less than the minimum Application size;
- Applications not being signed by the sole/joint Applicants;
- Applications submitted without payment of the Application Amount. However, our Company may allot Secured NCDs up to the value of application monies paid, if such application monies exceed the minimum application size as prescribed hereunder;
- Application Amount paid being higher than the value of Secured NCDs Applied for. However, our Company may allot Secured NCDs up to the number of Secured NCDs Applied for, if the value of such Secured NCDs Applied for exceeds the minimum Application size;
- Investor Category in the Application Form not being ticked;
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form
- Applications where a registered address in India is not provided for the Applicant;
- Bank account details not provided in the Application Form;
- Submission of more than 5 (Five) Application Forms per ASBA Account;
- Applications by persons not competent to contract under the Indian Contract Act, 1872 including a minor without the name of a guardian;
- Minor Applicants (applying through the guardian) without mentioning the PAN of the minor Applicant;
- DP ID and Client ID not mentioned in the Application Form;
- For Applications where an authorization to the SCSB for blocking funds in the ASBA Account has not been provided;
- Applications uploaded after the expiry of the allocated time on the Tranche II Issue Closing Date, unless extended by the Stock Exchange, as applicable;
- In case of partnership firms, Secured NCDs may be applied for in the names of the individual partner(s) and no firm as such shall be entitled to apply for in its own name. However a Limited Liability Partnership firm can apply in its own name;
- Applications submitted to the Designated Intermediaries at locations other than the Designated CDP Locations, the Designated RTA Locations, the Syndicate ASBA Application Locations or at a Designated Branch of a SCSB where the ASBA Account is not maintained;
- Applications made without mentioning the PAN of the Applicant, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participants;
- GIR number mentioned in the Application Form instead of PAN;
- Application by OCBs
- Applications for amounts greater than the maximum permissible amounts prescribed by applicable regulations;
- Applications by persons/entities who have been debarred from accessing the capital markets by SEBI;
- Applications by any persons outside India;
- All Applications where the DP ID, Client ID and PAN mentioned in the Application Form do not match with the Depository Participant ID, Client ID and PAN available in the records with the depositories;
- Applications by persons who are not eligible to acquire the Secured NCDs in terms of applicable laws, rules, regulations, guidelines and approvals;
- Application Forms not being signed by the ASBA Account holder, if the account holder is different from the Applicant or the signature of the ASBA Account holder on the Application Form does not match with



- the signature available on the Applicant's bank records;
- Applications for an amount below the minimum Application size;
- Applications not having details of the ASBA Account to be blocked;
- 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;
- Applications by Applicants seeking Allotment in dematerialised form whose demat accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010;
- Applications not uploaded on the terminals of the Stock Exchange;
- Applications for the allotment of Secured NCDs in dematerialized form providing an inoperative demat account number;
- In case of Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted along with the Application Form;
- The ASBA Account not having credit balance to meet the Application Amounts or no confirmation is received from the SCSB for blocking of funds;
- Applications submitted directly to the Designated Branches of the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Lead Managers, or Designated Intermediaries, as the case may be;
- 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;
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Shelf Prospectus and this Tranche II Prospectus and as per the instructions in the Application Form, the Shelf Prospectus and this Tranche II Prospectus;
- Where PAN details in the Application Form and as entered into the electronic system of the Stock Exchange, are not as per the records of the Depositories;
- Applications tendered to the Designated Intermediaries at centers other than the centers mentioned in the Application Form; and
- In case of cancellation of one or more orders (series) within an Application, leading to total order quantity falling under the minimum quantity required for a single Application.

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

### **Mode of Making Refunds**

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

#### **1. Direct Credit**

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

#### **2. NACH**

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

#### **3. RTGS**

Applicants having a bank account with a participating bank and whose interest payment / 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.

#### 4. 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 Secured NCDs to the respective beneficiary accounts, within 5 (five) Working Days from the Tranche II Issue Closing Date.

Further,

- (a) Allotment of Secured NCDs in this 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 Deemed Date of Allotment;
- (c) Interest at a rate of 15% per annum will be paid if the Allotment has not been made and/or the refund 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 / relevant banks for this purpose.

#### Retention of oversubscription

Up to the ₹ 10,000 million.

#### Basis of Allotment

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

#### Grouping of Applications and allocation ratio

For the purposes of the basis of allotment:

- 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 Category Portion"**).

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

#### **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%	40%	40%

##### 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 40% 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 40% 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;

In case of a valid Application where the investor has not marked a particular Option then our Company will allot the Secured NCDs under Option III.

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 pages 127.

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.

#### **Under Subscription**

If there is any under subscription in any Category, priority in Allotments will be given in the following order: (i) the Retail Individual Investors Portion; (ii) High Net Worth Individual Investors Portion, (iii) Non-Institutional Portion; (iv) Institutional Portion, on a first come first serve basis.

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

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.

### **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).

In case of over subscription of the Secured NCDs, where an Applicant has applied for all 6 (six) Options/Series of Secured NCDs, but such Applicant is not eligible for Allotment all 6 (six) Options/Series due to such over subscription, the Issuer along with the Lead Managers, the Registrar and the Designated Stock Exchange shall determine the preference for Allotment of Secured NCDs, which shall fall in order from Option I to Option VI.

### **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.

### **Applicant applying for more than one Options / Series 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 / Series, applied for by such Applicant, subject to rounding off to the nearest integer, as appropriate in consultation with the Lead Manager and the Designated Stock Exchange.

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 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.

All decisions pertaining to the basis of allotment of Secured NCDs pursuant to this Tranche II Issue shall be taken by our Company in consultation with the Lead Manager, and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Tranche II Prospectus.

Our Company would allot Option III 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).

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 Secured 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 Issue Closure 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 before the Tranche II Issue Closing Date. Our Company shall allot Secured 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 Secured NCDs is lesser than the minimum subscription which is 75% of the Base Issue 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 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.

Under Section 39(3) of the Companies Act, 2013 read with Rule 11(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 if the stated minimum subscription amount has not been subscribed or received, as applicable, within the specified period, the application money received is to be unblocked/credited only to the bank account in/from which the subscription was blocked/remitted. To the extent possible, where the required information for making such refunds is available with our Company and/or Registrar, refunds will be made to the account prescribed. However, where our Company and/or Registrar does not have the necessary information for making such refunds, our Company and/or the Registrar will follow the guidelines prescribed by SEBI in this regard.

## **Revision of Applications**

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

Applicants may revise/ modify their Application details during the Issue Period, as allowed/permitted by the stock exchange(s), by submitting a written request to the Lead Managers/ Designated Intermediaries, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. In case of any revision of Application in connection with any of the fields which are not allowed to be modified on the electronic Application platform of the Stock Exchange(s) as per the procedures and requirements prescribed by each relevant Stock Exchange, Applicants should ensure that they first withdraw their original Application and submit a fresh Application. In such a case the date of the new Application will be considered for date priority for Allotment purposes.

Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on Tranche II Issue Closing Date. However, in order that the data so captured is accurate, the Lead Managers, 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 Issue Period, after which the data will be sent to the Registrar for reconciliation with the data available with the NSDL and CDSL.

## **Utilisation of Application Amounts**

The sum received in respect of the 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.

## Utilisation of the proceeds of the Tranche II Issue

- All monies received out of this Tranche II Issue shall be credited / transferred to a separate bank account maintained with the Public Issue Account Bank as referred to in Section 40 of the Companies Act, 2013.
- The allotment letter shall be issued or application money shall be refunded in accordance with the applicable law failing which interest shall be due to be paid to the applicants at the rate of 15% per annum for the delayed period.
- Details of all monies unutilised out of the previous issues made by way of public offer, if any, shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet till the time any part of the proceeds of such previous issue remains unutilized indicating the securities or other forms of financial assets in which such unutilized monies have been invested.
- Details of all monies utilised out of the previous issue made by way of public offer shall be disclosed and continued to be disclosed under an appropriate separate head in our balance sheet indicating the purpose for which such monies have been utilized.
- Details of all unutilised monies out of this Tranche II Issue, if any, shall be disclosed and continued to be disclosed under an appropriate head in our balance sheet till the time any part of the proceeds of the Issue remains unutilized indicating the form in which such unutilised monies have been invested.
- We shall utilize the Tranche II Issue proceeds only (a) receipt of minimum subscription; (b) completion of Allotment and refund process in compliance with Section 40 of the Companies Act, 2013; (c) creation of security; and (d) obtaining Listing and Trading approval as stated in this Tranche II Prospectus in the section titled “*Issue Structure*” beginning on page 95 of this Tranche II Prospectus.
- 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.
- The Tranche II Issue proceeds shall not be utilized for providing loan to or acquisition of shares of any person who is part of the same group or who is under the same management.

## Impersonation

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

*“Any person who:*

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

## Listing

The Secured 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 vide letter no. DCS/BM/PI-BOND/3/18-19 dated May 11, 2018 from the BSE. The application for listing of the Secured NCDs will be made to the Stock Exchange at an appropriate stage.

If permissions to deal in and for an official quotation of our Secured NCDs are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Shelf Prospectus. Our Company shall ensure that all steps for the completion of the necessary formalities are taken for listing and commencement of trading at the Stock Exchange 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 / Series, such Secured 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.

### **Undertaking by the Issuer**

We undertake that:

- a) the complaints received in respect of the Tranche II Issue (except for complaints in relation to Applications submitted to the Designated Intermediaries) shall be attended to by us expeditiously and satisfactorily;
- b) we shall take necessary steps for the purpose of getting the Secured NCDs listed within the specified time i.e. 6 (six) Working Days from the Tranche II Issue Closing Date.;
- c) the funds required for dispatch of physical NCD certificates in case of a rematerialisation of NCDs by registered post/ speed post shall be made available to the Registrar by our Company;
- d) necessary cooperation to the credit rating agencies shall be extended in providing true and adequate information until the debt obligations in respect of the Secured NCDs are outstanding;
- e) we shall forward the details of utilisation of the funds raised through the Secured NCDs duly certified by our statutory auditors, to the Debenture Trustee at the end of each half year;
- f) we shall disclose the complete name and address of the Debenture Trustee in our annual report;
- g) we shall provide a compliance certificate to the Debenture Trustee (on an annual basis) in respect of compliance with the terms and conditions of issue of Secured NCDs as contained in the Shelf Prospectus and this Tranche II Prospectus; and
- h) we shall make necessary disclosures/ reporting under any other legal or regulatory requirement as may be required by our Company from time to time.

## SECTION VI: 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 April 30, 2018, the Directors approved the issuance to the public of Secured NCDs of face value ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each, aggregating up to ₹ 20,000 million. The Unsecured NCDs shall be in the nature of subordinated debt and shall be eligible for inclusion as Tier II Capital.

The Issue through the Shelf Prospectus of Secured NCDs of face value of ₹ 1,000 each and Unsecured NCDs of face value of ₹ 1,000 each, aggregating up to ₹ 20,000 million ("**Shelf Limit**") is approved by NCD Public Issue Committee meeting dated May 04, 2018. The NCDs will be issued in one or more tranches up to the Shelf Limit, on terms and conditions as set out in the relevant tranche prospectus for any tranche issue (each a "**Tranche Issue**"), which issue is being made as decided by the NCD Public Issue Committee of the Board of Directors.

The present Tranche II Issue through this Tranche II Prospectus is of Secured NCDs with a base issue size of ₹ 2,500 million, with an option to retain oversubscription up to ₹ 10,000 million, aggregating up to ₹ 12,500 million which is within the Shelf Limit, was approved by the NCD Public Issue Committee at its meeting dated November 12, 2018.

Further, the present borrowing is within the borrowing limits of ₹ 125,000 million under Section 180(1)(c) of the Companies Act, 2013 duly approved by the shareholders vide their resolution dated October 25, 2018.

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

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE 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, A. K. CAPITAL SERVICES LIMITED, JM FINANCIAL LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED AND TRUST INVESTMENT ADVISORS PRIVATE LIMITED AND CONFIRM THAT COMMENTS RECEIVED ON THE DRAFT SHELF PROSPECTUS WILL BE SUITABLY ADDRESSED BEFORE FILING THE SHELF PROSPECTUS AND THE TRANCHE II PROSPECTUS AND TO THIS EFFECT, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 12, 2018 WHICH READS AS FOLLOWS:**



1. WE CONFIRM THAT NEITHER THE ISSUER NOR ITS PROMOTERS OR DIRECTORS HAVE BEEN PROHIBITED FROM ACCESSING THE CAPITAL MARKET UNDER ANY ORDER OR DIRECTION PASSED BY SEBI. WE ALSO CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE TRANCHE II ISSUE OR RELATING TO THE TRANCHE II ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE NCDS OFFERED THROUGH THE TRANCHE II ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE TRANCHE II ISSUE SHALL BE GIVEN.
3. WE CONFIRM THAT THE PROSPECTUS CONTAINS ALL DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008, AS AMENDED.
4. WE ALSO CONFIRM THAT ALL RELEVANT PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED AND TO THE EXTENT NOTIFIED, SECURITIES CONTRACTS (REGULATION) ACT, 1956, SECURITIES AND EXCHANGE BOARD OF INDIA ACT, 1992 AND THE RULES, REGULATIONS, GUIDELINES, CIRCULARS ISSUED THEREUNDER ARE COMPLIED WITH.

*\*In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, JM Financial Limited will be involved only in marketing of the Issue.*

#### **Disclaimer Clause of the BSE**

BSE Limited ("the Exchange") has given, vide its letter dated May 11, 2018 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 AUGUST 27, 2003 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. IT IS DISTINCTLY UNDERSTOOD THAT THE SHELF PROSPECTUS AND THE TRANCHE II PROSPECTUS SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO BE APPROVED OR VETTED BY RBI.**

#### **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:

<b>Name of lead manager</b>	<b>Website</b>
A. K. Capital Services Limited	<a href="http://www.akgroup.co.in">www.akgroup.co.in</a>
JM Financial Limited*	<a href="http://www.jmfl.com">www.jmfl.com</a>
Edelweiss Financial Services Limited	<a href="http://www.edelweissfin.com">www.edelweissfin.com</a>
Trust Investment Advisors Private Limited	<a href="http://www.trustgroup.in">www.trustgroup.in</a>

*\*In compliance with the proviso to Regulation 21A(1) of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended, read with proviso to Regulation 5(3) of the SEBI ICDR Regulations, JMFL will be involved only in marketing of the Issue.*

#### **Listing**

Application will be made to the BSE simultaneously with the filing of this 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 the Shelf Prospectus.

Our Company shall ensure that all steps for the completion of the necessary formalities are taken for listing and commencement of trading at the stock exchange mentioned above within 6 (six) 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 / Series, such Secured NCDs with Option(s) shall not be listed.

#### **Consents**

Consents in writing of: (a) the Directors, (b) our Company Secretary and Compliance Officer, (c) Chief Financial Officer, (d) Chief Executive Officer, (e) Lead Managers, (f) the Registrar to the Issue, (g) Legal Advisor to the Issue, (h) Credit Rating Agencies, (i) Public Issue Account Bank to the Tranche II Issue, (j) Refund Bank to the Tranche II Issue; (k) Lead Brokers to the Tranche II Issue, (l) bankers to the Company, and (m) the Debenture Trustee, to act in their respective capacities, will be filed along with a copy of the Tranche II Prospectus with the RoC.

The consent of the Statutory Auditors of our Company, namely Deloitte Haskins & Sells LLP for: (a) inclusion of their names as the Statutory Auditors, (b) the limited review report dated October 24, 2018 on the unaudited financial results (Unaudited Interim Financial Information) for the six months period ended September 30, 2018; (c) the report on Reformatted Summary Financial Statements dated November 12, 2018 along with the financial statements for March 31, 2014, March 2015, March 31, 2016, March 31, 2017 and March 31, 2018; and (d) inclusion of the statement of tax benefits, 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 Registrar of Companies, Maharashtra.

#### **Expert Opinion**

Except the (i) Independent Auditors' report on Reformatted Summary Financial Statements issued by Deloitte Haskins & Sells LLP, Chartered Accountants dated May 4, 2018 in the Draft Shelf Prospectus and Shelf Prospectus; (ii) Independent Auditors' report on Reformatted Summary Financial Statements issued by Deloitte Haskins & Sells LLP, Chartered Accountants dated November 12, 2018 in the Tranche II Prospectus Prospectus along with the financial statements for March 31, 2014, March 2015, March 31, 2016, March 31, 2017 and March 31, 2018; (iii) the limited review report dated October 24, 2018 on the unaudited financial results (Unaudited Interim Financial Information) for the six months period ended September 30, 2018; (iv) statement

of tax benefits issued by Deloitte Haskins & Sells LLP dated May 3, 2018 in the Draft Shelf Prospectus, Shelf Prospectus and Tranche II Prospectus; and (v) credit rating letter dated April 27, 2018 and further revalidated by letter dated November 01, 2018 issued by India Ratings.

### **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 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. If our Company does not receive the minimum subscription of 75% of the Base Issue, being ₹ 1,875 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 the Company and/or Registrar, refunds will be made to the account prescribed. However, where the Company and/or Registrar does not have the necessary information for making such refunds, the 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 Tranche II Prospectus with the RoC**

A copy of this Tranche II Prospectus shall 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 issued through the public issue in accordance with the SEBI Debt Regulations in case of NBFCs registered with the RBI 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 Secured NCDs issued through the Issue. In addition, as per Rule 18 (7) (e) under Chapter IV of the Companies Act, 2013, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the Secured NCDs. Every company required to create or maintain DRR shall on or 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.

### Identification as wilful defaulter

Our Company (as defined under the Companies Act, 2013) or any of its Directors or Promoters have not been identified as wilful defaulters by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI or any other governmental authority.

### Reservation

No portion of this Tranche II Issue has been reserved.

### Details regarding the Company and other listed companies under the same management / associate companies as described under the Companies Act, 2013, which made any capital issue during the last three years

There are no other listed companies under the same management / associate companies as described under the Companies Act, 2013, which have made any public capital issuances during the previous three years from the date of this Tranche II Prospectus.

### Private Placement

The Company has issued and allotted on private placement basis secured, rated, listed, redeemable, non-convertible debentures as given in the below table. The said debentures have been listed at BSE.

Financial Year	Units (Face value of ₹ 1.00 Million each)	Issue Amount (₹ In Million)
2014-15	500	500.0
2015-16	8,859	8,859.0
2016-17	5,537	5,537.0
2017-18	10,896	10,896.0
2018-19*	--	--
<b>Total</b>	<b>25,792</b>	<b>25,792</b>

\*For the period ended September 30, 2018.

### Previous Issue

Except as stated in the sections titled "*Capital Structure*" and "*Disclosures on existing financial indebtedness*" on pages 32 and 39 of this Tranche II Prospectus respectively, our Company has not made any other issue of non convertible debentures.

Other than as specifically disclosed in this Tranche II Prospectus, our Company has not issued any securities for consideration other than cash.

### Utilisation details of Previous Public Issues

The details of the utilisation of the proceeds from Tranche I Issue are as follows:

Particulars	Amount (Rs. In lakhs)
Repayment of borrowings	24,898
Lending	46,501
Working Capital	3,601
<b>Total</b>	<b>75,000</b>

No part of the Tranche I Issue proceeds have been used towards prepayment penalty to any lender. Further, the funds raised in the Tranche I Issue have been utilised in accordance with the objects of the Tranche I Issue disclosed in Tranche I Prospectus dated May 16, 2018.

## **Details regarding lending out of issue proceeds of Previous Issues**

### **A. *Lending Policy***

The lending policy of our Company broadly deals with the following:

1. Product offering of our Company:
  - (a) loan against commercial real estate, including lending by subscribing to non-convertible debentures of the borrowers;
  - (b) loans against securities;
  - (c) initial public offering financing; and
  - (d) employee stock option plan funding.
2. Risk containment measures to mitigate the credit and market risk for the grant of products offered by the Company;
3. Loan sanctioning authority and delegation;
4. Sectoral exposure limits;
5. Policy for demand / call loan;
6. Provisioning norms;
7. Policy on write off.

The objectives of the loan policy are the following:

1. To have a loan portfolio which generates adequate risk adjusted returns;
2. Ensure all deal managers have a clear understanding of the composition of the incremental portfolio;
3. Define clearly the size and nature of deals that must be brought to the credit committee for approval before disbursement.

Our Company shall limit its exposures on a single borrower to 15% of the non-banking financial company's own funds and to a group borrower to 25% of the non-banking financial company's own funds.

The following have been classified as "Prohibited Exposures" for the purpose of lending:

1. Sanction of fresh loans to clear NPA accounts;
2. Lending to borrowers for illegal activities; and
3. Lending against collateral for its own shares.

The maximum exposure of our Company is concentrated towards construction, commercial real estate, infrastructure and retail housing. A portion of the Company's exposure is also concentrated towards advances to capital markets and others.

### **B. *Loans given by the Company***

As of March 31, 2018 there are no loans given by our Company that are outstanding towards entities / persons related to the Board, senior management, Promoter or other parties covered in the registered maintained under Section 189 of the Companies Act, 2013.

### C. *Types of loans*

Denomination of loans outstanding by ticket size as on March 31, 2018:

S. No	Ticket size	Percentage of AUM
1	Upto ₹ 2 lakh	-
2	₹ 2-5 lakh	-
3	₹ 5-10 lakh	-
4	₹ 10-25 lakh	-
5	₹ 25-50 lakh	-
6	₹ 50 lakh-1 crore	-
7	₹ 1-5 crore	0.2%
8	₹ 5-25 crore	4.9%
9	₹ 25-100 crore	59.0%
10	> ₹ 100 crore	36.0%
		<b>100.0%</b>

Denomination of loans outstanding by LTV, as of March 31, 2018:

S. No	LTV	Percentage of AUM
1	Upto 40%	26.2%
2	40-50%	26.8%
3	50-60%	31.1%
4	60-70%	13.2%
5	70-80%	1.1%
6	80-90%	-
7	>90% *	1.7%
<b>Total</b>		<b>100.0%</b>

*\*Unsecured loan amounting to Rs. 1,250.0 million*

Geographical classification of borrowers as on March 31, 2018:

S. No.	Top 5 states / Region	Percentage of AUM
1	Maharashtra	51.9%
2	Karnataka	21.4%
3	Tamil Nadu	11.4%
4	West Bengal	5.7%
5	National Capital Region	5.4%
	<b>Total</b>	<b>95.8%</b>

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
<b>1</b>	<b>Retail</b>	
a	-Mortgages (home loans and loans against property)	-
b	-Gold loans	-
c	- Vehicle finance	-
d	-MFI	-
e	-M&SME	-
f	-Capital market funding (loans against shares, margin funding)	-
h	-Others	-
<b>2</b>	<b>Wholesale</b>	-
a	-Infrastructure	-
b	-Real estate	100.0%
c	-Promoter funding	-
d	-Any other sector (as applicable)	-
e	-Others	-
	<b>Total</b>	<b>100.0%</b>

### D. *Aggregated exposure to top 20 borrowers with respect to concentration of advances as on March 31, 2018*

	Amount (₹ in Million)
Total Advances to twenty largest borrowers	28,427.5
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	38.7%

**E. Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2018**

	Amount (₹ in Million)
Total exposure to twenty largest borrowers / customers	28,447.9
Percentage of exposures to twenty largest borrowers / customers to total exposure of the NBFC on borrowers / customers	38.7%

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

Movement of gross NPAs*	Amount (₹ in Million)
(a) Opening balance	Nil
(b) Additions during the year	758.0
(c) Reductions during the year	Nil
(d) closing balance	758.0

\* Please refer paragraph titled "Non Performing Assets (NPAs)" under chapter "Our Business" at page 83 of the Shelf Prospectus for details on Gross NPA recognition Policy.

Movement of provisions for NPAs	Amount (₹ in Million)
(a) Opening balance	Nil
(b) Provisions made during the year	75.8
(c) Write-off / write -back of excess provisions	Nil
(d) closing balance	75.8

**G. Segment –wise gross NPA as on March 31, 2018**

S.No	Segment- wise breakup of gross NPAs	Gross NPA (%)
1	Real Estate	100.0%
	<b>Total</b>	<b>100.0%</b>

**H. Classification of borrowings as on March 31, 2018**

S. No	Type of Borrowings	Amount (₹ in Million)	Percentage
1	Secured	47,622.3*	85.8%
2	Unsecured	7,865.7**	14.2%
	<b>Total</b>	<b>55,488</b>	<b>100.0%</b>

\*Borrowing through Non-Convertible Debentures includes premium on issue ₹3.7 million.

\*\* Borrowing through commercial papers are shown at net of discount of ₹284.3 million

**I. Promoter Shareholding**

Please refer to the chapter "Material Developments" on page 26 of this Tranche II Prospectus for details with respect to Promoter shareholding in our Company as on date of this Tranche II Prospectus.

**J. Residual maturity profile of assets and liabilities as on March 31, 2018**

Particulars	1 day 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 years	Over 3 years to 5 years	Over 5 years	Total
Assets									
Deposits	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Advances	563.5	658.8	3,693.9	1,728.7	18,481.5	37,264.7	11,072.0	-	73,463.1
	(1,546.1)	(2,287.2)	(1,478.7)	(2,984.9)	(9,684.2)	(32,300.7)	(6,480.2)	-	(56,762.1)

<b>Investments</b>	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Liabilities</b>									
<b>Borrowing</b>	267.9	2,067.0	4,421.0	6,053.6	6,545.5	28,791.6	7,341.4	-	55,488.0
	(111.2)	(3,863.2)	(3,590.7)	(2,691.8)	(5,450.1)	(20,890.7)	(4,785.0)	-	(41,382.7)
<b>Foreign currency assets</b>	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
<b>Foreign currency liabilities</b>	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

### Auditors' Remarks

The statutory auditor of the Company, Deloitte Haskins & Sells LLP confirm that there have been no reservations or qualifications or adverse remarks in the Reformatted Summary Financial Statements of the Company in the last five financial years immediately preceding the date of this Tranche II Prospectus.

### Details of fraud committed against the Company

No acts of material frauds have been committed against the Company in the last five years and up to the half-year ended September 30, 2018.

### Dividend

Our Company has no stated specific dividend policy. The declaration and payment of dividends on our shares will be recommended by our Board of Directors and approved by our shareholders, at their discretion, and will depend on a number of factors, including but not limited to our profits, capital requirements and overall financial condition. Our Company has not declared any dividend to its shareholders for the financial year 2018-2019 .

### Revaluation of assets

The Company has not revalued its assets in the last five years.

### Mechanism for redressal of investor grievances

Karvy Computershare Private Limited has been appointed as the Registrar to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints. The Registrar Agreement between the Registrar and our Company will provide for retention of records with the Registrar for a period of at least 8 years from the last date of despatch of the letters of allotment, demat credit and refund credit to enable the investors to approach the Registrar for redressal of their grievances. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of Secured NCDs applied for, Series of Secured NCDs applied for, the Depository Participant and the amount blocked on Application. A copy of all grievances may also be addressed to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the Applicant, or (b) the concerned Designated Intermediary and the relevant Designated Branch of the SCSB in the event of an Application submitted at any of the Syndicate ASBA Centres.

All grievances arising out of Applications for the Secured NCDs made through Online Stock Exchanges may be addressed directly to the Designated Stock Exchange. The contact details of Registrar to the Issue are as follows:

### Registrar to the Issue

#### Karvy Computershare Private Limited

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



Tel: (+91 40) 6716 2222  
Fax: (+91 40) 2343 1551  
Email: jmfs.ncd@karvy.com  
Investor Grievance Email: einward.ris@karvy.com  
Website: www.karisma.karvy.com  
Contact Person: Mr. Murali Krishna  
Compliance Officer: Mr. Rakesh Santhalia  
SEBI Registration No.: INR000000221

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.

Mr. Hemant Pandya has been appointed as the Compliance Officer of our Company for this issue.

The contact details of Compliance Officer of our Company are as follows:

Mr. Hemant Pandya  
Company Secretary & Compliance Officer  
7<sup>th</sup> Floor, Cnergy,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai  
Maharashtra 400 025  
Tel: (+91 022) 6630 3030  
Fax: (+91 022) 6630 3223  
Email: hemant.pandya@jmfl.com

Investors may contact the Registrar to the Issue or the Compliance Officer in case of any pre-issue or post Issue related issues such as demat credit or refunds.

#### **Change in Auditors of our Company during the last three years**

Deloitte Haskins & Sells LLP has been the statutory auditor of the Company since February 12, 2015 and there has been no change in the Statutory Auditor of the Company for three years preceding the date of this Tranche II Prospectus.

## **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 7<sup>th</sup> Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi, Mumbai, Maharashtra 400 025, India from 10:00 a.m. to 5:00 p.m. on any Working Day during the Issue Period.

### **A. *Material Contracts***

1. Public Issue Account Agreement dated November 09, 2018 between the Company, the Lead Managers, the Registrar to the Issue, the Public Issue Account Bank and the Refund Bank.
2. Lead Broker Agreement dated November 09, 2018 executed between the Company, the Lead Managers and the Lead Brokers;
3. Issue Agreement dated May 04, 2018 and further amended and restated by agreement dated November 09, 2018, between the Company and the Lead Managers.
4. Registrar Agreement dated May 04, 2018 and further amended and restated by agreement dated November 09, 2018, with the Registrar to the Issue.
5. Debenture Trustee Agreement dated May 04, 2018 executed between the Company and the Debenture Trustee.
6. The debenture trust deed dated June 05, 2018 executed between the Company and the Debenture Trustee for creating the security over the Secured NCDs issued under the Issue and to protect the interest of NCD Holders under the Issue.
7. Tripartite agreement between the Company, Registrar to the Issue and CDSL dated July 29, 2016.
8. Tripartite agreement between the Company, Registrar to the issue and NSDL dated July 27, 2016.

### **B. *Material Documents***

1. Certificate of Incorporation of the Company dated May 15, 1980, issued by Registrar of Companies, Maharashtra.
2. Memorandum and Articles of Association of the Company.
3. The certificate of registration No. B-13.01681 dated August 27, 2003 issued by Reserve Bank of India u/s 45 IA of the RBI Act, 1934.
4. Credit rating letter dated November 1, 2018 from India Ratings assigning credit ratings to the NCDs alongwith the rating rationale.
5. Credit rating letter dated April 27, 2018 which has been revalidated on November 1, 2018 from ICRA assigning credit ratings to the NCDs alongwith the rating rationale.
6. Copy of the Board Resolution dated April 30, 2018 approving the issuance to the public of Secured NCDs of face value ₹ 1,000 each and Unsecured NCDs of face value ₹ 1,000 each, aggregating up to ₹ 20,000 million.
7. Copy of resolution passed by the NCD Public Issue Committee dated May 4, 2018 approving the Draft Shelf Prospectus and May 16, 2018 approving the Shelf Prospectus.
8. Copy of resolution passed by the NCD Public Issue Committee dated November 12, 2018 approving this Tranche II Prospectus.
9. Resolution passed by the shareholders of the Company at the Extraordinary General Meeting held on October 25, 2018, approving the overall borrowing limit of Company.

10. Consents of the Directors, Lead Managers to the Issue, Chief Financial Officer, Chief Executive Officer, Company Secretary and Compliance Officer of our Company, Debenture Trustee, Credit Rating Agencies for the Issue, bankers to the Company, Public Issue Account Bank to the Tranche II Issue, Refund Bank to the Tranche II Issue, Lead Brokers to the Tranche II Issue, Legal Advisor to the Issue, the Registrar to the Issue, to include their names in this Tranche II Prospectus in their respective capacity.
11. The consent of the Statutory Auditors of our Company, namely Deloitte Haskins & Sells LLP for inclusion of: (a) their names as the Statutory Auditors, (b) the limited review report dated October 24, 2018 on the unaudited financial results (Unaudited Interim Financial Information) for the six months period ended September 30, 2018; (c) the report on Reformatted Summary Financial Statements dated November 12, 2018 along with the financial statements for March 31, 2014, March 2015, March 31, 2016, March 31, 2017 and March 31, 2018; and (d) the statement of tax benefits available to the debenture holders in the form and context in which they appear in the Shelf Prospectus.
12. The limited review report of the Statutory Auditors dated October 24, 2018 in relation to the Unaudited Interim Financial Information included herein.
13. The report on Reformatted Summary Financial Statements dated November 12, 2018 along with the financial statements for March 31, 2014, March 2015, March 31, 2016, March 31, 2017 and March 31, 2018.
14. Investment agreement executed between our Company, JMFL, Mr. Vikram Pandit and Mr. Hariharan Aiyar dated June 18, 2014.
15. Subscription and Shareholders' agreement dated September 27, 2018 entered into between the Company, JMFL, INH Mauritius 1, Aparna Murthy Aiyar and Moraine Master Fund LP.
16. Statement of tax benefits dated May 3, 2018 issued by our Statutory Auditors.
17. Annual Reports of the Company for the last five Financial Years.
18. Due Diligence certificate dated November 12, 2018 filed by the Lead Managers with SEBI.
19. In-principle approval dated May 11, 2018 for the Issue issued by the BSE.

## DECLARATION

We, the Directors of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, the relevant provisions of Companies Act, 1956, as applicable and the rules prescribed thereunder as on the date of this Tranche II Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with. We further certify that the disclosures made in this Tranche II Prospectus are true and correct and in conformity with the Companies Act, 1956, as amended and the relevant provisions of the Companies Act, 2013, as amended, to the extent applicable as on the date of this Tranche II Prospectus, Schedule I of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Tranche II Prospectus is contrary to the provisions of the Companies Act, 2013, as amended and the relevant provisions of the Companies Act, 1956, applicable as on the date of this Tranche II Prospectus, the Securities Contracts (Regulation) Act, 1956, as amended, or the Securities and Exchange Board of India Act, 1992, as amended, or rules, guidelines and circulars issued thereunder.

We further certify that all the disclosures and statements in this Tranche II Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Tranche II Prospectus does not contain any misstatements.

### SIGNED BY THE FOLLOWING DIRECTORS:

Mr. Hariharan Aiyar  
***Non-Executive Vice Chairman***  
***(Nominee Director)*** Sd/-

Mr. V P Shetty  
***Non-Executive Director***  
***(Nominee Director)*** Sd/-

Ms. Dipti Neelakantan  
***Non-Executive Director***  
***(Nominee Director)*** Sd/-

Mr. Darius E Udawadia  
***Independent Director*** Sd/-

Dr. Anup Shah  
***Independent Director*** Sd/-

Date: November 12, 2018

Place: Mumbai

## DECLARATION

I, the Director of the Company, hereby certify and declare that all the applicable legal requirements in connection with the Issue including the relevant provisions of the Companies Act, 2013, as amended, the relevant provisions of Companies Act, 1956, as applicable and the rules prescribed thereunder as applicable on the date of this Tranche II Prospectus and the guidelines issued by the Government of India or the regulations, guidelines and the circulars issued by the Securities and Exchange Board of India established under Section 3 of the Securities and Exchange Board of India Act, 1992, as amended, as the case may be, have been complied with. We further certify that the disclosures made in this Tranche II Prospectus are true and correct and in conformity with the Companies Act, 1956, as amended and the relevant provisions of the Companies Act, 2013, as amended, to the extent applicable as on the date of this Tranche II Prospectus, Schedule I of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, the Securities and Exchange Board of India Act, 1992, as amended, the Securities Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and no statement made in this Tranche II Prospectus is contrary to the provisions of the Companies Act, 2013, as amended and the relevant provisions of the Companies Act, 1956, applicable as on the date of this Tranche II Prospectus, the Securities Contracts (Regulation) Act, 1956, as amended, or the Securities and Exchange Board of India Act, 1992, as amended, or rules, guidelines and circulars issued thereunder.

We further certify that all the disclosures and statements in this Tranche II Prospectus are true, accurate and correct in all material respects and do not omit disclosure of any material fact which may make the statements made therein, in light of circumstances under which they were made, misleading and that this Tranche II Prospectus does not contain any misstatements.

### SIGNED BY THE FOLLOWING DIRECTOR:

Mr. Vikram Pandit  
*Non-Executive Chairman*  
*(Nominee Director)*

Sd/-

Date: November 12, 2018

Place: New York

## FINANCIAL INFORMATION


S. No.	Particulars	Page No
1.	Limited review report dated October 24, 2018 and the unaudited financial results for the six months period ended September 30, 2018.	147
2.	Examination report of the Statutory Auditors dated November 12, 2018 and Reformatted Summary Financial Statements for the financial years ended March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and March 31, 2018	153

## INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

### TO THE BOARD OF DIRECTORS OF JM FINANCIAL CREDIT SOLUTIONS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **JM FINANCIAL CREDIT SOLUTIONS LIMITED** (the "Company"), for the half year ended September 30, 2018 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Circular No. CIR/IMD/DF1/69/2016 dated 10 August 2016 (the "Regulation").
2. The Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides 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 stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 read with Circular No. CIR/IMD/DF1/69/2016 dated 10 August 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

  
**G. K. Subramaniam**  
Partner  
(Membership No. 109839)

Mumbai, 24 October 2018



**JM Financial Credit Solutions Limited**  
**FINANCIAL RESULTS**

**STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR HALF YEAR ENDED SEPTEMBER 30, 2018**

(Rupees in Lakh)

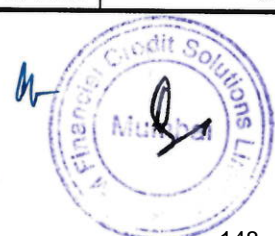
Sr. No.	Particulars	Half year Ended	
		30.09.2018	30.09.2017
		Unaudited	Unaudited
1	<b>Income</b>		
(a)	Revenue from Operations		
	Interest/fees on loans	60,796.00	45,675.74
	Profit / (Loss) on Sale of Investments (Net)	267.09	44.50
	Interest income on fixed deposits	10.81	-
		<b>61,073.90</b>	<b>45,720.24</b>
(b)	Other Income	-	-
	<b>Total Income</b>	<b>61,073.90</b>	<b>45,720.24</b>
2	<b>Expenses</b>		
(a)	Employee benefits expense	1,526.91	1,319.74
(b)	Finance costs	29,392.51	18,478.44
(c)	Provision for loans	2,549.44	911.01
(d)	Depreciation expense	11.00	11.72
(e)	Operating and other expenses	1,383.71	1,227.14
	<b>Total expenses</b>	<b>34,863.57</b>	<b>21,948.05</b>
3	<b>Profit before tax (1-2)</b>	<b>26,210.33</b>	<b>23,772.19</b>
4	<b>Tax expenses</b>		
(a)	Current tax	10,064.00	8,208.00
(b)	Deferred tax	(876.01)	114.02
	<b>Total tax expenses</b>	<b>9,187.99</b>	<b>8,322.02</b>
5	<b>Net Profit for the period (3-4)</b>	<b>17,022.34</b>	<b>15,450.17</b>
6	<b>Other Comprehensive Income</b>		
(i)	Items that will be reclassified to profit or loss		
	- Actuarial gain/(losses) on post retirement benefit plans	0.63	(4.72)
		(0.22)	1.65
(ii)	Income tax on items that will be reclassified to profit or loss		
	<b>Other Comprehensive Income</b>	<b>0.41</b>	<b>(3.07)</b>
7	<b>Total Comprehensive Income (5+6)</b>	<b>17,022.75</b>	<b>15,447.10</b>
8	<b>Earning Per Share (EPS)</b>		
	Basic EPS (in Re.) (Not annualised)	679.57	623.30
	Diluted EPS (in Re.) (Not annualised)	679.48	618.13

**JM Financial Credit Solutions Limited**

Corporate Identity Number : U74140MH1980PLC022644

**Regd. Office:** 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 F: +91 22 6630 3344 www.jmfinancialcreditsolutions.com





**JM FINANCIAL CREDIT SOLUTIONS LIMITED**  
**STATEMENT OF UNAUDITED BALANCE SHEET AS AT SEPTEMBER 30, 2018**

(Rupees in Lakh)

Sr. No.		As at September 30, 2018 Unaudited
	<b>ASSETS</b>	
<b>(1) Financial Assets</b>		
(a)	Cash and cash equivalents	717.51
(b)	Bank Balance other than (a) above	450.00
(c)	Loans	8,56,078.30
(d)	Investments	1,740.01
(e)	Other Financial assets	76,515.31
		<b>9,35,501.13</b>
<b>(2) Non-financial Assets</b>		
(a)	Deferred tax Assets (Net)	6,122.11
(b)	Property, Plant and Equipment	32.13
(c)	Intangible assets under development	-
(d)	Other Intangible assets	25.36
(e)	Other non-financial assets	418.92
		<b>6,598.52</b>
	<b>Total Assets</b>	<b>9,42,099.65</b>
	<b>LIABILITIES AND EQUITY</b>	
	<b>LIABILITIES</b>	
<b>(1) Financial Liabilities</b>		
(a)	Payables	
	<b>(I) Trade Payables</b>	
(i)	total outstanding dues of micro enterprises and small enterprises	-
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	1,280.96
(b)	Debt Securities	3,78,329.10
(c)	Borrowings (Other than Debt Securities)	2,80,343.06
(d)	Other financial liabilities	15,276.79
	<b>Total Financial Liabilities</b>	<b>6,75,229.91</b>
<b>(2) Non-Financial Liabilities</b>		
(a)	Current tax liabilities (Net)	-
(b)	Provisions	133.92
(c)	Other non-financial liabilities	174.71
	<b>Total Non-Financial Liabilities</b>	<b>308.63</b>
<b>(3) EQUITY</b>		
(a)	Equity Share capital	282.60
(b)	Other Equity	2,66,278.51
	<b>Total Equity</b>	<b>2,66,561.11</b>
	<b>Total Liabilities and Equity</b>	<b>9,42,099.65</b>



Notes:


- 1 The above unaudited results have been reviewed and recommended for Board approval by the Audit Committee and approved by the Board of Directors at the meeting held on October 24, 2018. These results have been subjected to a "Limited Review" by the statutory auditors of the Company.
- 2 The above audited financial results have been prepared as per format prescribed in Regulation 52 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/IMD/DF1/69/2016 dated 10 August 2016 ("the Regulation").
- 3 Information as required by Regulation 52(4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is as per Annexure 'I' attached
- 4 The Company has adopted Indian Accounting Standards (Ind AS) from April 01, 2018 with comparative figures for the half year ended September 30, 2017 and the effective date of transition is April 1, 2017. The above financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 - Interim Financial Reporting prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Further transition adjustments may be required to these financial results including those arising from new or revised standards or interpretations issued by the Ministry of Corporate Affairs and Reserve Bank of India, as applicable or changes in use of one or more optional exemptions from full retrospective application of certain Ind AS, till the finalisation of the financial statements as at and for the year ending 31 March 2019.
- 5 The Company operates in a single reportable operating segment of Mortgage loans as per the requirement of Ind AS 108 - Operating Segment.
- 6 Reconciliation of net profit for the corresponding half year ended September 30, 2017 between erstwhile Indian GAAP (IGAAP) and Ind AS is as under:

Particulars	Half Year ended 30.09.2017 Unaudited
Net profit after tax as per previous GAAP	15,007.23
Add / (Less):	
Increase in interest income pursuant to application of effective interest rate method	590.74
Increase in borrowing cost pursuant to application of effective interest rate method	7.87
Provision for expected credit Loss	122.97
Tax impact on above	(278.64)
<b>Total effect of transition to IND AS</b>	<b>442.94</b>
<b>Net profit after tax as per IND AS</b>	<b>15,450.17</b>
Other comprehensive Income (net of tax)	(3.07)
<b>Total Comprehensive Income under IND AS</b>	<b>15,447.10</b>

For JM Financial Credit Solutions Limited

Place : Mumbai  
Date : October 24, 2018



  
V P Shetty  
Non-Executive Director  
DIN – 00021773

**JM Financial Credit Solutions Limited**

Corporate Identity Number : U74140MH1980PLC022644

**Regd. Office:** 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 F: +91 22 6630 3344 [www.jmfinancialcreditsolutions.com](http://www.jmfinancialcreditsolutions.com)



**JM FINANCIAL CREDIT SOLUTIONS LIMITED**  
**Annexure I - Additional Information as required under Regulation 52(4) and 52(7) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015**

1 Details of payment of principal and interest/ premium of the Non-Convertible Debentures as required under regulation 52(4) and Regulation 52(7) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 are as under :

ISIN and Tranche	Previous Due/Payment Date		Principal		Interest		Principal		Interest	
	Principal	Interest	Due Date	Amount (Rs. In Lakh)	Next Due Date	Amount (Rs. In Lakh)	Due Date	Amount (Rs. In Lakh)	Next Due Date	Amount (Rs. In Lakh)
INE651J07028 - Tranche B #	11-06-2018	11-06-2018	NA	NA	NA	NA	NA	NA	NA	NA
INE651J07259 - Tranche W #	13-06-2018	13-06-2018	NA	NA	NA	NA	NA	NA	NA	NA
INE651J07069 - Tranche F #	31-07-2018	31-07-2018	NA	NA	NA	NA	NA	NA	NA	NA
INE651J07093 - Tranche I **	-	-	01-02-2019	300.00	NA	NA	01-02-2019	300.00	NA	NA (Zero Coupon)
INE651J07101 - Tranche J	-	-	09-08-2021	2,000.00	11-02-2019	195.06	09-08-2021	2,000.00	11-02-2019	195.06
INE651J07119 - Tranche K	-	-	26-08-2021	1,000.00	26-02-2019	97.00	26-08-2021	1,000.00	26-02-2019	97.00
INE651J07127 - Tranche L **	-	-	03-04-2019	440.00	NA	NA	03-04-2019	440.00	NA	NA (Zero Coupon)
INE651J07135 - Tranche M **	-	-	15-04-2019	1,000.00	NA	NA	15-04-2019	1,000.00	NA	NA (Zero Coupon)
INE651J07143 - Tranche N **	-	-	22-04-2019	350.00	NA	NA	22-04-2019	350.00	NA	NA (Zero Coupon)
INE651J07168 - Tranche P	-	-	05-06-2019	5,000.00	30-03-2019	525.00	05-06-2019	5,000.00	30-03-2019	525.00
INE651J07176 - Tranche Q **	-	-	22-04-2019	540.00	NA	NA	22-04-2019	540.00	NA	NA (Zero Coupon)
INE651J07184 - Tranche R **	-	-	25-04-2019	780.00	NA	NA	25-04-2019	780.00	NA	NA (Zero Coupon)
INE651J07192 - Tranche S	-	07-05-2018	06-05-2021	500.00	06-05-2019	47.37	06-05-2021	500.00	06-05-2019	47.37
INE651J07200 - Tranche T	-	24-05-2018	24-05-2021	1,000.00	24-05-2019	95.00	24-05-2021	1,000.00	24-05-2019	95.00
INE651J07218 - Tranche U	-	31-05-2018	31-05-2021	1,000.00	31-05-2019	95.00	31-05-2021	1,000.00	31-05-2019	95.00
INE651J07226 - Tranche V **	-	-	14-05-2019	620.00	NA	NA	14-05-2019	620.00	NA	NA (Zero Coupon)
INE651J07234 - Tranche V **	-	-	28-05-2019	660.00	NA	NA	28-05-2019	660.00	NA	NA (Zero Coupon)
INE651J07242 - Tranche V **	-	-	18-06-2019	500.00	NA	NA	18-06-2019	500.00	NA	NA (Zero Coupon)
INE651J07267 - Tranche W ^	-	-	11-06-2019	1,000.00	11-06-2019	311.58	11-06-2019	1,000.00	11-06-2019	311.58
INE651J07275 - Tranche W **	-	-	15-07-2019	750.00	15-07-2019	242.27	15-07-2019	750.00	15-07-2019	242.27
INE651J07283 - Tranche W **	-	-	02-07-2019	250.00	NA	NA	02-07-2019	250.00	NA	NA (Zero Coupon)
INE651J07291 - Tranche X	-	30-08-2018	30-08-2019	10,000.00	30-08-2019	970.00	30-08-2019	10,000.00	30-08-2019	970.00
INE651J07309 - Tranche X	-	30-08-2018	30-09-2019	10,000.00	30-08-2019	969.00	30-09-2019	10,000.00	30-08-2019	969.00
INE651J07317 - Tranche Y **	-	-	06-08-2019	1,100.00	NA	NA	06-08-2019	1,100.00	NA	NA (Zero Coupon)
INE651J07325 - Tranche Y **	-	-	27-08-2019	570.00	NA	NA	27-08-2019	570.00	NA	NA (Zero Coupon)
INE651J07333 - Tranche Z **	-	-	12-09-2019	650.00	NA	NA	12-09-2019	650.00	NA	NA (Zero Coupon)
INE651J07341 - Tranche Z **	-	-	24-09-2019	1,050.00	NA	NA	24-09-2019	1,050.00	NA	NA (Zero Coupon)
INE651J07358 - Tranche Z **	-	-	08-10-2019	500.00	NA	NA	08-10-2019	500.00	NA	NA (Zero Coupon)
INE651J07366 - Tranche Z **	-	-	29-10-2019	300.00	NA	NA	29-10-2019	300.00	NA	NA (Zero Coupon)
INE651J07374 - Tranche AA **	-	-	07-04-2020	460.00	NA	NA	07-04-2020	460.00	NA	NA (Zero Coupon)
INE651J07382 - Tranche AB **	-	-	01-07-2020	570.00	NA	NA	01-07-2020	570.00	NA	NA (Zero Coupon)
INE651J07390 - Tranche AC **	-	-	04-05-2020	370.00	NA	NA	04-05-2020	370.00	NA	NA (Zero Coupon)
INE651J07408 - Tranche AD	-	-	23-03-2020	5,000.00	22-03-2019	461.23	23-03-2020	5,000.00	22-03-2019	461.23
INE651J07416 - Tranche AD	-	-	23-03-2020	1,000.00	22-03-2019	89.75	23-03-2020	1,000.00	22-03-2019	89.75
INE651J07424 - Tranche AD **	-	-	23-03-2020	5,000.00	NA	NA	23-03-2020	5,000.00	NA	NA (Zero Coupon)
INE651J07432 - Tranche AD **	-	-	06-05-2020	200.00	NA	NA	06-05-2020	200.00	NA	NA (Zero Coupon)
INE651J07440 - Tranche AE	-	-	25-03-2022	7,000.00	29-03-2019	644.00	25-03-2022	7,000.00	29-03-2019	644.00
INE651J07457 - Tranche AF **	-	-	05-06-2020	5,000.00	NA	NA	05-06-2020	5,000.00	NA	NA (Zero Coupon)
INE651J07465 - Tranche AG	-	15-06-2018	15-06-2021	17,500.00	14-06-2019	1,579.42	15-06-2021	17,500.00	14-06-2019	1,579.42
INE651J07473 - Tranche AH	-	22-06-2018	22-06-2020	3,000.00	21-06-2019	270.76	22-06-2020	3,000.00	21-06-2019	270.76
INE651J07481 - Tranche AI	-	11-09-2018	12-09-2019	12,500.00	12-09-2019	1,093.75	12-09-2019	12,500.00	12-09-2019	1,093.75
INE651J07499 - Tranche AI**	-	-	15-09-2020	2,500.00	NA	NA	15-09-2020	2,500.00	NA	NA (Zero Coupon)
INE651J07507 - Tranche AI	-	-	28-12-2020	5,000.00	28-12-2018	457.50	28-12-2020	5,000.00	28-12-2018	457.50
INE651J07507 - Tranche AK **	-	-	28-12-2020	1,790.00	28-12-2018	163.79	28-12-2020	1,790.00	28-12-2018	163.79
INE651J07515 - Tranche AL **	-	-	10-09-2021	5,000.00	NA	NA	10-09-2021	5,000.00	NA	NA (Zero Coupon)
INE651J07523 - Tranche AL **	-	-	10-12-2021	2,000.00	NA	NA	10-12-2021	2,000.00	NA	NA (Zero Coupon)
INE651J07531 - Tranche AL **	-	-	04-05-2021	1,350.00	NA	NA	04-05-2021	1,350.00	NA	NA (Zero Coupon)
INE651J07549 - Tranche AM	-	-	06-03-2020	12,500.00	20-03-2019	1,156.59	06-03-2020	12,500.00	20-03-2019	1,156.59



**JM Financial Credit Solutions Limited**

Corporate Identity Number : U74140MH1980PLC022644

**Regd. Office:** 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025.

T: +91 22 6630 3030 F: +91 22 6630 3344 www.jmfinancialcreditsolutions.com

JM FINANCIAL CREDIT SOLUTIONS LIMITED						
Annexure I - Additional Information as required under Regulation 52(4) and 52(7) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015						
INE651J07556 - Tranche AM**	-	-	15-06-2021	10,000.00	NA	NA (Zero Coupon)
INE651J07564 - Tranche AM	-	-	23-03-2020	20,000.00	20-03-2019	1,852.45
INE651J07572 - Tranche AN	-	-	23-03-2021	4,000.00	25-03-2019	376.48
INE651J07556 - Tranche AN*	-	-	15-06-2021	1,490.00	NA	NA (Zero Coupon)
INE651J07556 - Tranche AO*	-	-	15-06-2021	510.00	NA	NA (Zero Coupon)
INE651J07572 - Tranche AO*	-	-	23-03-2021	280.00	25-03-2019	26.14
INE651J07531 - Tranche AP*	-	-	04-05-2021	4,540.00	NA	NA (Zero Coupon)
INE651J07580 - Tranche I - Public^^	-	-	07-08-2021	11,652.27	07-06-2019	1,074.89
INE651J07598 - Tranche I - Public^^	-	-	07-08-2021	2,438.58	NA	NA (Zero Coupon)
INE651J07606 - Tranche I - Public^^	-	-	07-06-2023	36,531.43	07-06-2019	3,461.00
INE651J07614 - Tranche I - Public^^	-	01-09-2018	07-06-2023	1,703.29	01-10-2018	12.75
INE651J07622 - Tranche I - Public^^	-	-	07-06-2028	21,480.85	07-06-2019	2,088.66
INE651J07630 - Tranche I - Public^^	-	01-09-2018	07-06-2028	1,193.58	01-10-2018	9.16
			Total	2,45,420.00		18,365.61
The Company has paid interest/premium and principal as per the terms to the Non-Convertible Debenture holders on due dates.						
NCD Amount shown above are at face value						
# Redeemed during the half year ended September 30, 2018.						
** Zero coupon Non-Convertible Debentures issued at Face Value. Principle amount is excluding premium to be paid at the time of maturity.						
^^ Compounded interest to be paid on maturity along with principal amount.						
^^ Non-Convertible Debentures issued through Public Issue under Tranche I Prospectus and Shelf Prospectus dated May 16, 2018						
* These Non-Convertible Debentures have been issued under the existing ISIN.						
2	Debt Equity Ratio (Nos. of times):					30.09.2018
3	Debt Redemption Reserve (Rs in Lakh) :					2.47
4	Net Worth (Rs in Lakh) :					Nil
5	Material deviations, if any, in the use of the proceeds from the issue of Non Convertible Debt Securities - None.					2,66,561.11
6	The NCDs are secured by way of first pari passu charge on the company's identified immovable property, book debts, loans and advances and receivables.					
7	Details of Credit rating:					
Rating particulars		Rating Agency	Rating assigned			
Commercial Paper Programme		ICRA Limited	ICRA A1+			
Non-Convertible Debentures / Market Linked Debentures		India Ratings and Research Limited	Private			
		ICRA Limited	IND A1+			
		ICRA Limited	ICRA AA / Stable			
		India Ratings and Research Limited	PP-MLD ICRA AA / Stable			
Lines of credit (from Banks and FI)		ICRA Limited	IND AA / Stable			
		India Ratings and Research Limited	ICRA AA / Stable			
		ICRA Limited	IND AA / Stable			
		India Ratings and Research Limited	ICRA AA / Stable			
Note: During the half year ended September 30, 2018 there were no changes in credit ratings assigned.						


**JM Financial Credit Solutions Limited**

Corporate Identity Number : U74140MH1980PLC022644

**Regd. Office:** 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025

T: +91 22 6630 3030 F: +91 22 6630 3344 www.jmfinancialcreditsolutions.com



**REPORT OF THE INDEPENDENT AUDITOR ON THE REFORMATTED SUMMARY  
FINANCIAL STATEMENTS**

**To the Board of Directors of  
JM Financial Credit Solutions Limited**

**Report on the Reformatted Summary Financial Statements**

- 1) The accompanying Reformatted Summary Financial Statements of **JM Financial Credit Solutions Limited** (the "Company"), which comprise the Reformatted Summary Statements of Assets and Liabilities as at March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, and also the Reformatted Summary Statements of Profit and Loss and the Reformatted Summary Cash Flow Statements for the years ended March 31, 2018, March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014, and a summary of the significant accounting policies and other explanatory information (together comprising the "**Reformatted Summary Financial Statements**") are derived from the audited financial statements (the "**Audited Financial Statements**") of the Company for the respective years audited by us/previous auditor as detailed in paragraph 3(a) to 3(b) below (referred to as the "**Audited Financial Statements**").
- 2) The Reformatted Summary Financial Statements have been prepared by the Management of the Company on the basis of Note 52 to the Reformatted Summary Financial Statements and have been approved by the Board of Directors.
- 3) a) We expressed our opinions on the Audited Financial Statements of the Company for the years ended March 31, 2018, March 31, 2017, March 31, 2016, and March 31, 2015 vide our reports dated April 30, 2018, April 27, 2017, May 12, 2016 and May 19, 2015 respectively.  
  
b) The Financial Statements of the Company for the financial year ended March 31, 2014 were audited by the previous auditors, on which they have expressed their opinion vide their report dated April 23, 2014. In relation to the aforesaid financial statement audited by the previous auditor, we have not carried out any audit tests or review procedures, and, accordingly reliance has been placed on the financial statements audited by the previous auditor for the said year and the audit report thereon.

DHS  
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- 4) The previous auditor has issued a report on reformatted summary financial statements dated November 12, 2018, for the year ended March 31, 2014. Our reporting on this year, i.e. March 31, 2014 is solely based on the report submitted by previous auditor on which we have placed reliance.
- 5) The Reformatted Summary Financial Statements as at and for the years ended March 31, 2017, March 31, 2016, March 31, 2015, and March 31, 2014, have been regrouped/ reclassified wherever necessary to correspond with the presentation/disclosure requirements of the financial year ended March 31, 2018. The figures included in the Reformatted Summary Financial Statements, do not reflect the effect of events that occurred subsequent to the date of our report/ the report of the previous auditor on the respective periods referred to in paragraph 3(a) and 3(b) above.
- 6) **Management's Responsibility for the Reformatted Summary Financial Statements**

Management is responsible for the preparation of the Reformatted Summary Financial Statements, as mentioned in paragraph 1 above, on the basis of Note 52 to the Reformatted Summary Financial Statements. Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Reformatted Summary Financial Statements that are free from material misstatement, whether due to fraud and error. The Management and the Board of Directors are also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities, including compliance with the provisions of the laws and regulations that determine the reported amounts and disclosures in the Reformatted Summary Financial Statements.

7) **Auditors' Responsibility**

Our responsibility is to express an opinion on the Reformatted Summary Financial Statements based on our procedures, which were conducted in accordance with Standard on Auditing (SA) 810, "Engagements to Report on Summary Financial Statements" issued by the Institute of Chartered Accountants of India.

8) **Opinion**

In our opinion, the Reformatted Summary Financial Statements derived from the Audited Financial Statements of the Company for the respective years are a fair summary of the Audited Financial Statements of the respective years on the basis described in Note 52 to the Reformatted Summary Financial Statements.

9) **Other matters**

- a. This report should not in any way be construed as a re-audit and consequently, re-issuance or re-dating of any of the previous audit reports issued by us and/or other firms of Chartered Accountants on the Reformatted Summary Financial Statements.
- b. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

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**10) Restrictions on Use**

This report is addressed to and is provided to enable the Company to include this report in the Tranche II Prospectus in connection with the issue, to be filed by the Company with BSE Limited, the Securities and Exchange Board of India and the Registrar of Companies, Mumbai. The Reformatted Summary Financial Statements may, therefore, not be suitable for another purpose or distributed to any other person, without our prior written consent.

**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)



**Abhijit A. Damle**

Partner  
(Membership No. 102912)

**Mumbai, November 12, 2018**



**REFORMATTED STATEMENT OF ASSETS AND LIABILITIES**

(In Rs MN)

		Note No.	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>						
1	<b>Shareholders' funds</b>						
	Share capital	2	25.0	25.0	25.0	25.0	0.5
	Reserves and surplus	3	17,390.6	14,107.7	11,335.2	9,359.8	60.2
			<b>17,415.6</b>	<b>14,132.7</b>	<b>11,360.2</b>	<b>9,384.8</b>	<b>60.7</b>
2	<b>Non-current liabilities</b>						
	Long-term borrowings	4	36,133.2	25,675.7	19,569.7	1,150.0	-
	Other long-term liabilities	5	456.5	237.8	126.3	-	-
	Long-term provisions	6	297.2	202.3	125.9	48.4	2.3
			<b>36,886.9</b>	<b>26,115.8</b>	<b>19,821.9</b>	<b>1,198.4</b>	<b>2.3</b>
3	<b>Current liabilities</b>						
	Short-term borrowings	7	8,403.7	8,525.2	8,180.5	7,859.1	875.0
	Trade payables:	8					
	Due to micro, small and medium enterprises		-	-	-	-	-
	Others		28.5	19.6	74.1	4.9	#
	Other current liabilities	9	11,978.4	8,114.7	2,603.8	98.7	7.9
	Short-term provisions	10	98.6	3.3	27.2	11.0	1.8
			<b>20,509.2</b>	<b>16,662.8</b>	<b>10,885.6</b>	<b>7,973.7</b>	<b>884.7</b>
			<b>74,811.7</b>	<b>56,911.3</b>	<b>42,067.7</b>	<b>18,556.9</b>	<b>947.7</b>
<b>II.</b>	<b>ASSETS</b>						
1	<b>Non-current assets</b>						
	Property, plant and equipment	11	3.8	4.9	2.2	1.3	1.0
	Intangible assets	11	2.9	3.5	0.9	-	-
	Deferred tax assets (net)	12	158.5	123.8	75.5	35.5	-
	Long-term loans and advances	13	48,336.7	38,781.0	33,174.5	16,631.9	902.5
			<b>48,501.9</b>	<b>38,913.2</b>	<b>33,253.1</b>	<b>16,668.7</b>	<b>903.5</b>
2	<b>Current assets</b>						
	Cash and cash equivalents	14	1,183.4	17.0	1,018.6	31.7	23.9
	Short-term loans and advances	15	25,126.4	17,981.1	7,795.6	1,856.4	20.3
	Other current assets	16	-	-	0.4	0.1	#
			<b>26,309.8</b>	<b>17,998.1</b>	<b>8,814.6</b>	<b>1,888.2</b>	<b>44.2</b>
			<b>74,811.7</b>	<b>56,911.3</b>	<b>42,067.7</b>	<b>18,556.9</b>	<b>947.7</b>
Significant accounting policies and notes to financial statements		1 to 52					

# Denotes amount below Rs.50,000/-



**REFORMATTED STATEMENT OF PROFIT AND LOSS**

**(In Rs MN)**

		<b>Note No.</b>	<b>For the year ended 31.03.2018</b>	<b>For the year ended 31.03.2017</b>	<b>For the year ended 31.03.2016</b>	<b>For the year ended 31.03.2015</b>	<b>For the year ended 31.03.2014</b>
<b>I.</b>	<b>Income:</b>						
(a)	Revenue from operations	17	9,579.7	7,868.5	5,187.6	941.4	41.9
(b)	Other income	18	19.6	15.1	6.9	95.9	18.1
	<b>Total Revenue</b>		<b>9,599.3</b>	<b>7,883.6</b>	<b>5,194.5</b>	<b>1,037.3</b>	<b>60.0</b>
<b>II.</b>	<b>Expenses:</b>						
(a)	Employee benefits expense	19	235.6	221.5	186.5	117.4	-
(b)	Finance costs	20	3,916.6	3,122.6	1,746.8	133.7	29.8
(c)	Provision for loans	21	167.9	76.0	76.7	43.9	2.3
(d)	Depreciation and amortization expense	11	2.3	2.1	0.9	0.2	0.4
(e)	Operating and other expenses	22	236.5	213.6	166.4	39.9	0.6
	<b>Total expenses</b>		<b>4,558.9</b>	<b>3,635.8</b>	<b>2,177.3</b>	<b>335.1</b>	<b>33.1</b>
<b>III.</b>	Profit before Tax		<b>5,040.4</b>	<b>4,247.8</b>	<b>3,017.2</b>	<b>702.2</b>	<b>26.9</b>
<b>IV</b>	<b>Less: Tax expense</b>						
	Current tax		1,792.2	1,523.6	1,085.1	246.7	9.8
	Deferred tax		(34.7)	(48.3)	(39.9)	(32.5)	-
	Excess provision for tax in respect of earlier year (net)		-	-	(3.4)	-	-
			<b>1,757.5</b>	<b>1,475.3</b>	<b>1,041.8</b>	<b>214.2</b>	<b>9.8</b>
<b>V</b>	<b>Profit for the year</b>		<b>3,282.9</b>	<b>2,772.5</b>	<b>1,975.4</b>	<b>488.0</b>	<b>17.1</b>
<b>VI</b>	<b>Earning Per Equity Share</b> (Face value of Rs. 10/- each)	29					
	Basic		1,318.9	1,952.7	1,580.3	903.9	342.3
	Diluted		1,318.9	1,906.8	790.3	492.1	342.3
	Significant accounting policies and notes to financial statements	1 to 52					

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## **1. Significant Accounting Policies**

### **1. Basis of preparation of financial statements**

#### **Financial Year 2017-18, 2016-17, 2015-16, 2014-15**

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, as applicable and the relevant provisions of the Companies Act, 2013("the 2013 Act") as applicable and the circulars and guidance issued by Reserve Bank of India from time to time. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in preparation of financial statements are consistent with those followed in previous year.

#### **Financial Year 2013-14**

The Financial Statements are prepared under the historical cost convention on an accrual basis and in accordance with the generally accepted principles in India and as per the provisions of the Companies Act, 1956 ('the Act') and the accounting principles generally accepted in India and comply with the Accounting Standards notified under the Act (Which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs) to the extent applicable and the circulars and guidance issued by Reserve Bank of India from time to time. Except otherwise mentioned, the accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

### **2. Current / Non-current classification of assets / liabilities**

#### **Financial Year 2017-18, 2016-17, 2015-16, 2014-15**

The Company has classified all its assets / liabilities into current / non-current portion based on the time frame of 12 months from the date of financial statements. Accordingly, assets/liabilities expected to be realised /settled within 12 months from the date of financial statements are classified as current and other assets/liabilities are classified as non-current.

### **3. Use of estimates**

#### **Financial Year 2017-18, 2016-17, 2015-16, 2014-15, 2013-14**

The preparation of financial statements is in conformity with Indian Generally Accepted Accounting Principles which require the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of income and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known / materialised

### **4. Property, Plant and Equipment**

#### **Financial Year 2017-18**

Assets are recorded at historical cost of acquisitions or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any.

**Depreciation**

Depreciation on Property, Plant and Equipment is provided on the straight line method at the following rates:

<b>Assets</b>	<b>Useful Life</b>
Vehicles	5 years
Computers	3 years
Servers and Networks	6 years
Office Equipment	5 years
Furniture and Fixtures	10 years
Leasehold improvements	10 years or lease period whichever is lower

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase. Assets taken on finance lease are depreciated over a period of lease.

**Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Softwares are amortized over a period of five years, on a straight line basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

**Fixed Assets****Financial Year 2016-17****Tangible Assets**

Assets are recorded at historical cost of acquisitions or construction. They are stated at historical cost less accumulated depreciation and impairment loss, if any.

**Depreciation**

Depreciation on fixed assets is provided on the straight line method at the following rates:

<b>Assets</b>	<b>Useful Life</b>
Vehicles	5 years
Computers	3 years
Servers and Networks	6 years
Office Equipment	5 years
Furniture and Fixtures	10 years
Leasehold improvements	10 years or lease period whichever is lower

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

Assets taken on finance lease are depreciated over a period of lease.

**Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Softwares are amortized over a period of five years, on a straight line basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

## Financial Year 2015-16

### Fixed Assets

Assets are recorded at historical cost of acquisitions or construction. They are stated at historical cost less accumulated depreciation/ amortization and impairment loss, if any.

#### Depreciation

Depreciation on fixed assets is provided on the straight line method at the following rates:

Assets	Useful Life
Vehicles	5 years
Computers	3 years
Servers and Networks	6 years
Office Equipment	5 years
Furniture and Fixtures	10 years

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

Assets taken on finance lease are depreciated over a period of lease.

### Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Softwares are amortized over a period of five years, on a straight line basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

## Financial Year 2014-15

### Fixed Assets

Assets are recorded at historical cost of acquisitions or construction. They are stated at historical cost less accumulated depreciation/ amortization and impairment loss, if any.

#### Depreciation

Depreciation on fixed assets is provided on the straight line method at the following rates:

Assets	Useful Life
Vehicles	5 years
Computers	3 years
Servers and Networks	6 years
Office Equipment	5 years
Office Premises	60 years
Furniture and Fixtures	10 years

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

Assets taken on finance lease are depreciated over a period of lease.

### Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any. Softwares are amortized over a period of five years, on a straight line basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

## Financial Year 2013-14

### Owned tangible assets

Owned tangible assets are stated at original cost of acquisition less accumulated depreciation and impairment losses. Cost comprises of all costs incurred to bring the assets to their present location and working conditions

### Depreciation

Depreciation on tangible fixed assets is provided on the Straight Line Method (SLM), based on rates as per the management's estimate of useful life of the fixed assets, or at the rates prescribed in Schedule XIV to the Act, 1956, whichever is higher, as per the following table:

Asset	Useful Life
Office premises	61 years
Furniture and fixtures	10 years
Office equipment	5 years
Computers and software	5 years
Leasehold improvements	10 years
Motor Vehicles	5 years

Assets costing Rs.5,000/- or less are fully depreciated in the year of acquisition

### Owned Intangible assets

Intangible fixed assets are stated at cost of acquisition or internal generation, less accumulated amortisation and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the assets will flow to the enterprise and where its cost can be reliably measured. The depreciable amount of the intangible assets is allocated over the best estimate of its useful life on a straight line basis.

The Company capitalises software and related implementation costs where it is reasonably estimated that the software has an enduring useful life. Software is depreciated over management estimate of its useful life not exceeding 5 years

### Leased Assets

Assets acquired under finance lease are capitalised at the inception of lease at the fair value of the assets or present value of minimum lease payments whichever is lower. These assets are fully depreciated on a straight line basis over the lease term or its useful life whichever is shorter.

## 5. Impairment of assets

### Financial Year 2017-18, 2016-17, 2015-16, 2014-15, 2013-14

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the Statement of Profit and Loss.

## 6. Investments

### Financial Year 2017-18, 2016-17, 2015-16, 2014-15, 2013-14

Investments are classified as non-current or current. Non-current investments are carried at cost, however, provision for diminution in the value of long-term investments is made to recognise a decline, other than temporary, in the value of investments. The provision for diminution in the value of the quoted long-term investments is made to recognise the decline at lower of cost or market value, determined on the basis of the quoted prices of individual investment. Provision for diminution in the value of unquoted long-term investments is made as per the Management's estimate. Current investments are carried at lower of cost or fair value. Unquoted current investments in units of Mutual Funds are valued at the Net Asset Value of each particular scheme.

## **7. Revenue recognition**

### **Financial Year 2017-18, 2016-17, 2015-16, 2014-15, 2013-14**

Interest income is recognised on accrual basis except in case of non-performing assets where interest is accounted on realization. In other cases, income is recognised when there is no significant uncertainty as to determination or realization exists.

Additional finance charges / additional interest are treated to accrue only on realisation, due to uncertainty of realisation and are accounted accordingly.

Processing fees received from customers is recognised as income on receipt basis Dividend income is recognised when the right to receive the dividend is established.

## **8. Provision for Non Performing Assets (NPA) and Standard Assets(SA)**

### **Financial Year 2017-18**

All loans and other credit exposures, where the installments are overdue for a period of three months or more are classified as NPA. Provision is made in respect of NPA and SA in accordance with the stipulations of Master Directions – Non-Banking Financial Company - "Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016" by the Reserve Bank of India (RBI). Additional provisions, if any, (over and above the provisioning requirements under the Directions as specified by RBI) are made as per directions of the Board of Directors.

### **Financial Year 2016-17**

All loans and other credit exposures, where the installments are overdue for a period of four months or more are classified as NPA. Provision is made in respect of NPA and SA in accordance with the stipulations of Prudential Norms prescribed in the "Systemically Important Non Banking Financials (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2016" by the Reserve Bank of India (RBI). Additional provisions (over and above the provisioning requirements under the Directions as specified by RBI) are also made as per guidelines prescribed by the Board of Directors.

### **Financial Year 2015-16**

All loans and other credit exposures, where the installments are overdue for a period of six months or more are classified as NPA. Provision is made in respect of NPA and SA in accordance with the stipulations of Prudential Norms prescribed in the "Systemically Important Non Banking Financials (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2015" by the Reserve Bank of India (RBI). Additional provisions (over and above the provisioning requirements under the Directions as specified by RBI) are also made as per guidelines prescribed by the Board of Directors.

### **Financial Year 2014-15**

All loans and other credit exposures, where the installments are overdue for a period of six months or more are classified as NPA. Provision is made in respect of NPA and SA in accordance with the stipulations of Prudential Norms prescribed in the "Non Banking Financials (Non-Deposit Accepting or holding) Companies Prudential Norms (Reserve Bank) Directions, 2007" by the Reserve Bank of India (RBI). Additional provisions (over and above the provisioning requirements under the Directions as specified by RBI) are also made as per guidelines prescribed by the Board of Directors.

### **Financial Year 2013-14**

The Company follows the Prudential Norms prescribed by the Reserve Bank of India, Non Banking Finance Companies Prudential Norms, 1988 for revenue recognition, Asset classification and provisioning. The Reserve Bank of India ("RBI") directions in respect of Non Banking financial (Non Deposit Accepting) Companies Prudential Norms (Reserve Bank) Directions, 2007 (RBI Directions, 2007), dated February 22, 2007 in respect of income recognition, income from investments, asset

classification, disclosure in the balance sheet and provisioning are followed by the Company. Accounting Standards and Guidance Notes issued by The Institute of Chartered Accountants of India ("ICAI") are followed in so far as they are non inconsistent with the RBI Directions.

## **9. Employee Retirement Benefits**

**Financial Year 2017-18, 2016-17, 2015-16, 2014-15**

### **(a) Post Employment Benefits and Other Long Term Benefits:**

#### **Defined Contribution Plan:**

The Company contributes towards Provident Fund and Family Pension Fund. Liability in respect thereof is determined on the basis of contribution as required under the Statute / Rules.

#### **Defined Benefit Plans:**

In respect of gratuity, provision is made based upon the actuarial valuation done at the end of every quarter using "Projected unit Credit Method". Major drivers in actuarial assumption, typically, are years of services and employees compensation. Gains and losses on changes in actuarial assumption are charged to the Statement of Profit and Loss.

#### **(b) Short term employee benefits:**

Short term employee benefits are recognized as an expense at the undiscounted amount in Statement of Profit and Loss of the year in which the related services are rendered.

## **10. Borrowing costs**

**Financial Year 2017-18, 2016-17, 2015-16, 2014-15**

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized in the Statement of Profit and Loss in the period they occur.

## **11. Taxes on income**

**Financial Year 2017-18, 2016-17, 2015-16, 2014-15, 2013-14**

Tax expense comprises both current and deferred tax at the applicable enacted/ substantively enacted rates. Current tax represents the amount of income tax payable/ recoverable in respect of the taxable income/ loss for the reporting period. Deferred tax represents effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In case of existence of carry forward unabsorbed depreciation and tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that deferred tax assets can be realised against future taxable profits.

## **12. Earnings per Equity share**

**Financial Year 2017-18, 2016-17, 2015-16, 2014-15**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### **13. Provisions and contingencies**

#### **Financial Year 2017-18, 2016-17, 2015-16, 2014-15, 2013-14**

A provision is recognized when the Company has a legal and constructive obligation as a result of a past event, for which it is probable that cash outflow will be required and a reliable estimate can be made of the amount of the obligation. A contingent liability is disclosed when the Company has a possible or present obligation where it is not probable that an outflow of resources will be required to settle it. Contingent assets are neither recognized nor disclosed.



## 2. SHARE CAPITAL

(In Rs MN)

	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016		As at 31.03.2015		As at 31.03.2014	
	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>										
Equity shares of Rs 10/- each	30,00,000	30.0	30,00,000	30.0	30,00,000	30.0	30,00,000	30.0	50,000	0.5
Preference shares of Rs 10/- each	20,00,000	20.0	20,00,000	20.0	20,00,000	20.0	20,00,000	20.0	-	-
		<b>50.0</b>		<b>50.0</b>		<b>50.0</b>		<b>50.0</b>		<b>0.5</b>
<b>Issued, Subscribed and Paid- up</b>										
Equity shares of Rs 10/- each fully paid-up	24,99,500	25.0	24,65,296	24.7	12,50,004	12.5	12,50,004	12.5	50,000	0.5
Compulsory convertible preference shares of Rs 10/- each fully paid-up	-	-	34,204	0.3	12,49,496	12.5	12,49,496	12.5	-	-
<b>Total</b>		<b>25.0</b>		<b>25.0</b>		<b>25.0</b>		<b>25.0</b>		<b>0.5</b>

### 2.1 Reconciliation of the number of shares outstanding

#### Equity Shares

(In Rs MN)

	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016		As at 31.03.2015		As at 31.03.2014	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	24,65,296	24.7	12,50,004	12.5	12,50,004	12.5	50,000	0.5	50,000	0.5
Shares issued during the year pursuant to conversion	34,204	0.3	12,15,292	12.2	-	-	12,00,004	12.0	-	-
Shares bought back during the year	-	-	-	-	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>24,99,500</b>	<b>25.0</b>	<b>24,65,296</b>	<b>24.7</b>	<b>12,50,004</b>	<b>12.5</b>	<b>12,50,004</b>	<b>12.5</b>	<b>50,000</b>	<b>0.5</b>

**Compulsory Convertible Preference Shares**
**(In Rs MN)**

	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016		As at 31.03.2015		As at 31.03.2014	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	34,204	0.3	12,49,496	12.5	12,49,496	12.5	-	-	-	-
Shares issued during the year pursuant to conversion	-	-	-	-	-	-	12,49,496	12.5	-	-
Shares bought back during the year	(34,204)	(0.3)	(12,15,292)	(12.2)	-	-	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>-</b>	<b>-</b>	<b>34,204</b>	<b>0.3</b>	<b>12,49,496</b>	<b>12.5</b>	<b>12,49,496</b>	<b>12.5</b>	<b>-</b>	<b>-</b>

**2.2 Details of shareholding in excess of 5%**

	As at 31.03.2018		As at 31.03.2017		As at 31.03.2016		As at 31.03.2015		As at 31.03.2014	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
<b>Equity Shares :</b>										
JM Financial Limited along with its nominees	12,50,000	50.01%	12,50,000	50.70%	12,50,000	99.9997%	12,50,000	99.9997%	50,000	100%
INH Mauritius 1	12,15,296	48.62%	12,15,296	49.30%	-	-	-	-	-	-
<b>Preference Shares :</b>										
INH Mauritius 1	-	-	-	-	12,15,292	97.26%	12,15,292	97.26%	-	-

## **2.3 Terms and rights attached to each class of shares:**

### **Financial Year 2017-18, 2016-17, 2015-16, 2014-15**

#### **Equity Shares:**

The Company has only one class of shares referred to as equity shares having a face value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividend, as and when declared and approved by the shareholders.

#### **Compulsory Convertible Preference Shares (CCPS):**

##### **Right to Rank Prior to Equity Shares:**

The CCPS shall rank prior to the equity shares of the Company (the equity shares) for the purpose of dividend, liquidation, dissolution or winding up of the Company, subject to the provisions of the Act, as amended from time to time.

##### **Voting rights:**

The holders of the CCPS shall be entitled to voting rights only in respect of those resolutions placed before the Company which directly affect the rights attached to the CCPS

##### **Dividend:**

The rate of dividend in respect of CCPS shall be 0.00001% per annum of the face value of the CCPS on non-cumulative basis.

The CCPS shall be non-cumulative compulsorily convertible preference share of face value Rs. 10/- each

##### **Terms of Preference shares:**

CCPS shall be automatically converted in to Equity Shares on the third anniversary of the allotment of shares to the Investors. The CCPS shall be converted into Equity Shares such that the aggregate shareholding of the Investors post such conversion shall be 49.99% of the total paid up equity share capital of the Company. The issue price per Equity Share arising out of the said conversion shall be adjusted as per the terms and conditions agreed upon between the Company and the holders of the CCPS in writing.

## NOTES TO THE FINANCIAL STATEMENTS

### 3 RESERVES AND SURPLUS

(In Rs MN)

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>a. Securities Premium Reserve</b>					
Opening balance	8,811.6	8,811.6	8,811.6	-	-
(+) on issue of share	-	-	-	8,817.4	-
(-) utilised for share issue expenses	-	-	-	5.8	-
Balance as per last Balance Sheet	<b>8,811.6</b>	<b>8,811.6</b>	<b>8,811.6</b>	<b>8,811.6</b>	-
<b>b. General Reserve</b>					
Balance as per last Balance Sheet	1.7	1.7	1.7	1.7	1.7
<b>c. Statutory Reserve</b>					
Opening balance	1,054.3	499.8	104.6	7.0	3.6
(+) Transferred during the year	656.6	554.5	395.2	97.6	3.4
<b>Closing balance</b>	<b>1,710.9</b>	<b>1,054.3</b>	<b>499.8</b>	<b>104.6</b>	<b>7.0</b>
<b>d. Surplus in Statement of Profit and Loss:</b>					
Opening balance	4,240.1	2,022.1	441.9	51.5	37.8
(+) Profit for the year	3,282.9	2,772.5	1,975.4	488.0	17.1
	<b>7,523.0</b>	<b>4,794.6</b>	<b>2,417.3</b>	<b>539.5</b>	<b>54.9</b>
(-) Appropriations					
Transferred to statutory reserve	656.6	554.5	395.2	97.6	3.4
<b>Closing balance</b>	<b>6,866.4</b>	<b>4,240.1</b>	<b>2,022.1</b>	<b>441.9</b>	<b>51.5</b>
<b>Total</b>	<b>17,390.6</b>	<b>14,107.7</b>	<b>11,335.2</b>	<b>9,359.8</b>	<b>60.2</b>

### 4 LONG-TERM BORROWINGS

(In Rs MN)

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>Secured</b>					
Term loan (refer note 4.1)					
- From Banks	24,388.1	18,710.6	11,900.0	650.0	-
- From other parties	1,250.0	-	250.0	-	-
Less: Current maturities of term loans	(6,520.8)	(3,581.4)	(1,189.3)	-	-
	<b>19,117.3</b>	<b>15,129.2</b>	<b>10,960.7</b>	<b>650.0</b>	-
Non-convertible debentures (refer note 4.2 and 4.3)	21,442.0	14,146.0	9,359.0	500.0	-
Premium received on issue	3.7	-	-	-	-
Less: Current maturities of Non-convertible debentures	(4,430.0)	(3,600.0)	(750.0)	-	-
	<b>17,015.7</b>	<b>10,546.0</b>	<b>8,609.0</b>	<b>500.0</b>	-
Finance lease obligations	0.5	0.9	0.4	-	-
Less: Current maturities of Finance Lease Obligations(refer	(0.3)	(0.4)	(0.4)	-	-

note 4.4)					
	<b>0.2</b>	<b>0.5</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>36,133.2</b>	<b>25,675.7</b>	<b>19,569.7</b>	<b>1,150.0</b>	<b>-</b>

#### 4.1 Term loans:

##### Financial Year 2017-18

a) Term loans are secured by way of floating first pari passu charge by way of hypothecation on certain identified loan fund balances of the Company.

b) Maturity profile and rate of interest of term loans:

(In Rs MN)

Residual Maturities	Non-Current					
	As on March 31, 2018			As on March 31, 2017		
	1-3 years (April 2018 to March 2021)	3 years & above (April 2021 onwards)	Total	1-3 years (April 2017 to March 2020)	3 years & above (April 2020 onwards)	Total
<b>Rate of interest*</b>						
8.00 % to 9.00%	16,617.3	1,750.0	18,367.3	9,109.9	3,200.0	12,309.9
9.01 % to 10.00%	750.0	-	750.0	1,394.2	75.0	1,469.2
10.01% to 11.00%	-	-	-	1,350.1	-	1,350.1
<b>Total</b>	<b>17,367.3</b>	<b>1,750.0</b>	<b>19,117.3</b>	<b>11,854.2</b>	<b>3,275.0</b>	<b>15,129.2</b>

\*The rate of interest for the above term loans is linked to the base rates of the banks and is subject to change from time to time. The above categorisation of loans has been based on the interest rates, prevalent as on the respective reporting dates.

##### Financial Year 2016-17

a) Term loans are secured by way of floating first pari passu charge by way of hypothecation on certain identified loan fund balances of the Company.

b) Maturity profile and rate of interest of term loans:

(In Rs MN)

Residual Maturities	Non-Current					
	As on March 31, 2017			As on March 31, 2016		
	1-3 years (April 2017 to March 2020)	3 years & above (April 2020 onwards)	Total	1-3 years (April 2016 to March 2019)	3 years & above (April 2019 onwards)	Total
<b>Rate of interest*</b>						
8.00 % to 9.00%	9,109.9	3,200.0	12,309.9	-	-	-
9.01 % to 10.00%	1,394.2	75.0	1,469.2	766.7	1,000.0	1,766.7
10.01% to 11.00%	1,350.1	-	1,350.1	7,527.6	1,666.4	9,194.0
<b>Total</b>	<b>11,854.2</b>	<b>3,275.0</b>	<b>15,129.2</b>	<b>8,294.3</b>	<b>2,666.4</b>	<b>10,960.7</b>

\*The rate of interest for the above term loans is linked to the base rates of the banks and is subject to change from time to time. The above categorisation of loans has been based on the interest rates, prevalent as on the respective reporting dates.

## Financial Year 2015-16

a) Term loans are secured by way of floating first pari passu charge by way of hypothecation on certain identified loan fund balances of the Company.

b) Maturity profile and rate of interest of term loans:

(In Rs MN)

Residual Maturities	Non-Current					
	As on March 31, 2016			As on March 31, 2015		
	1-3 years (April 2016 to March 2019)	3 years & above (April 2019 onwards)	Total	1-3 years (April 2015 to March 2018)	3 years & above (April 2018 onwards)	Total
<b>Rate of interest*</b>						
9.00 % to 10.00%	766.7	1,000.0	1,766.7	-	-	-
10.01% to 11.00%	7,527.6	1,666.4	9,194.0	650.0	-	650.0
<b>Total</b>	<b>8,294.3</b>	<b>2,666.4</b>	<b>10,960.7</b>	<b>650.0</b>	<b>-</b>	<b>650.0</b>

\*The rate of interest for the above term loans is linked to the base rates of the banks and is subject to change from time to time. The above categorisation of loans has been based on the interest rates, prevalent as on the respective reporting dates.

## Financial Year 2014-15

a) Term loans are secured by way of floating first pari passu charge by way of hypothecation on certain identified loan fund balances of the Company.

b) Maturity profile and rate of interest of term loans:

(In Rs MN)

Maturity profile	Rate of interest	FY 2014-15	FY 2013-14
2016-17	10.75%	325.0	-
2017-18	10.75%	325.0	-
		<b>650.0</b>	<b>-</b>

## 4.2 Non-Convertible Debentures:

### Financial Year 2017-18

Non-convertible debentures aggregating Rs.21,442.0 mn (Previous year Rs.14,146.0 mn) are secured by way of first charge on freehold land (proportionately) and hypothecation on pool of certain loan fund balances of the Company.

### Financial Year 2016-17

a) Rs.3,500.0 mn (Previous year Rs.4,000.0 mn) are secured by way of first charge on freehold land (proportionately) and hypothecation on certain identified loan fund balances of the Company.

b) Rs.5,719.0 mn (Previous year Rs.5,059.0 mn) are secured by way of first charge on freehold land (proportionately) and hypothecation on certain identified loan fund balances of the Company.

c) Rs.550.0 mn (Previous year Rs.300.0 mn) are secured by way of first charge on freehold land (proportionately) and hypothecation on certain identified loan fund balances of the Company.

d) Rs.4,377.0 mn (Previous year NIL) are secured by way of first charge on freehold land (proportionately) and hypothecation on certain identified loan fund balances of the Company.

### Financial Year 2015-16

a) Rs. 4,000.0 mn (Previous year Rs.500.0 mn) are secured by way of first charge on freehold land (proportionately) and hypothecation on certain identified loan fund balances of the Company.

b) Rs. 5,059.0 mn (Previous year Nil) are secured by way of first charge on freehold land (proportionately) and hypothecation on certain identified loan fund balances of the Company.

c) Rs. 300.0 mn (Previous year Nil) are secured by way of first charge on freehold land (proportionately) and hypothecation on certain identified loan fund balances of the Company.

### Financial Year 2014-15

a) Rs.500.0 mn (Previous year nil ) are secured by way of first charge on freehold land and hypothecation on certain identified loan fund balances of the Company.

### 4.3 Maturity profile and rate of interest/ discounted rate of interest of Non-Convertible Debentures (NCD) face value of Rs. 1,000,000/- each:

### Financial Year 2017-18

(In Rs MN)

Particulars	Non-Current		Current	
	FY 2017-18	FY 2016-17	FY 2017-18	FY 2016-17
0% NCD redeemable in year 2017-18*	-	-	-	500.0
10.1674 % NCD redeemable in year 2017-18	-	-	-	750.0
10.1687 % NCD redeemable in year 2017-18	-	-	-	1,000.0
10.5 % NCD redeemable in year 2017-18	-	-	-	600.0
9.9756 % NCD redeemable in year 2017-18	-	-	-	750.0
0% NCD redeemable in year 2018-19*	-	30.0	30.0	-
10.2609 % NCD redeemable in year 2018-19	-	3,000.0	3,000.0	-
10.2946 % NCD redeemable in year 2018-19	-	1,000.0	1,000.0	-
9.7307 % NCD redeemable in year 2018-19	-	400.0	400.0	-
9.3133 % NCD redeemable in year 2019-20	2,000.0	-	-	-
0% NCD redeemable in year 2019-20*	1,431.0	1,431.0	-	-
8.75 % NCD redeemable in year 2019-20	1,250.0	-	-	-
9.3037 % NCD redeemable in year 2019-20	1,250.0	-	-	-
10.5 % NCD redeemable in year 2019-20	500.0	500.0	-	-
9.7 % NCD redeemable in year 2019-20	1,000.0	1,000.0	-	-
9.25 % NCD redeemable in year 2019-20	500.0	500.0	-	-
9.69 % NCD redeemable in year 2019-20	1,000.0	1,000.0	-	-
9.7665 % NCD redeemable in year 2019-20	100.0	100.0	-	-
9.78 % NCD redeemable in year 2019-20	75.0	75.0	-	-
0 % NCD redeemable in year 2020-21*	910.0	160.0	-	-
9.15 % NCD redeemable in year 2020-21	679.0	-	-	-
9.3606 % NCD redeemable in year 2020-21	428.0	-	-	-
9.05 % NCD redeemable in year 2020-21	300.0	-	-	-
0 % NCD redeemable in year 2021-22*	2,489.0	-	-	-
9.05 % NCD redeemable in year 2021-22	1,750.0	-	-	-
9.00 % NCD redeemable in year 2021-22	100.0	100.0	-	-
9.20 % NCD redeemable in year 2021-22	700.0	700.0	-	-
9.50 % NCD redeemable in year 2021-22	250.0	250.0	-	-
9.70 % NCD redeemable in year 2021-22	300.0	300.0	-	-
	<b>17,012.0</b>	<b>10,546.0</b>	<b>4,430.0</b>	<b>3,600.0</b>

\* Redeemable at premium

Note: Above excludes premium amounting to Rs.3.7 mn received on issue of Non-Convertible Debentures.

**Financial Year 2016-17**
**(In Rs MN)**

Particulars	Non-Current		Current	
	Current year	Previous year	Current year	Previous year
9.90% NCD redeemable in year 2016-17	-	-	-	500.0
0% NCD redeemable in year 2016-17*	-	-	-	250.0
0% NCD redeemable in year 2017-18*	-	500.0	500.0	-
10.1674 % NCD redeemable in year 2017-18	-	750.0	750.0	-
10.1687 % NCD redeemable in year 2017-18	-	1,000.0	1,000.0	-
10.5 % NCD redeemable in year 2017-18	-	600.0	600.0	-
9.9756 % NCD redeemable in year 2017-18	-	750.0	750.0	-
0% NCD redeemable in year 2018-19*	30.0	30.0	-	-
10.2609 % NCD redeemable in year 2018-19	3,000.0	3,000.0	-	-
10.2946 % NCD redeemable in year 2018-19	1,000.0	1,000.0	-	-
9.7307 % NCD redeemable in year 2018-19	400.0	-	-	-
0% NCD redeemable in year 2019-20*	1,431.0	179.0	-	-
10.5 % NCD redeemable in year 2019-20	500.0	500.0	-	-
9.7 % NCD redeemable in year 2019-20	1,000.0	-	-	-
9.25 % NCD redeemable in year 2019-20	500.0	-	-	-
9.69 % NCD redeemable in year 2019-20	1,000.0	-	-	-
9.7665 % NCD redeemable in year 2019-20	100.0	-	-	-
9.78 % NCD redeemable in year 2019-20	75.0	-	-	-
0 % NCD redeemable in year 2020-21*	160.0	-	-	-
9.00 % NCD redeemable in year 2021-22	100.0	-	-	-
9.20 % NCD redeemable in year 2021-22	700.0	-	-	-
9.50 % NCD redeemable in year 2021-22	250.0	-	-	-
9.70 % NCD redeemable in year 2021-22	300.0	300.0	-	-
	<b>10,546.0</b>	<b>8,609.0</b>	<b>3,600.0</b>	<b>750.0</b>

\* Redeemable at premium

**Financial Year 2015-16**
**(In Rs MN)**

Particulars	Non-Current		Current	
	Current year	Previous year	Current year	Previous year
9.90% NCD redeemable in year 2016-17	-	500.0	500.0	-
0% NCD redeemable in year 2016-17*	-	-	250.0	-
0% NCD redeemable in year 2017-18*	500.0	-	-	-
10.1674 % NCD redeemable in year 2017-18	750.0	-	-	-
10.1687 % NCD redeemable in year 2017-18	1,000.0	-	-	-
10.5 % NCD redeemable in year 2017-18	600.0	-	-	-
9.9756 % NCD redeemable in year 2017-18	750.0	-	-	-
0% NCD redeemable in year 2018-19*	30.0	-	-	-
10.2609 % NCD redeemable in year 2018-19	3,000.0	-	-	-
10.2946 % NCD redeemable in year 2018-19	1,000.0	-	-	-
0% NCD redeemable in year 2019-20*	179.0	-	-	-
10.5 % NCD redeemable in year 2019-20	500.0	-	-	-
9.7 % NCD redeemable in year 2021-22	300.0	-	-	-
	<b>8,609.0</b>	<b>500.0</b>	<b>750.0</b>	<b>-</b>

\* Redeemable at premium



**Financial Year 2014-15****(In Rs MN)**

Particulars	Non-Current		Current	
	Current Year	Previous Year	Current Year	Previous Year
9.90% NCD redeemable in year 2016-17	500.0	-	-	-
	<b>500.0</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Financial Year 2017-18, 2016-17, 2015-16**

**4.4** Finance lease obligations are secured by way of hypothecation of vehicles.

**5 OTHER LONG-TERM LIABILITIES****(In Rs MN)**

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Employee benefits payable	122.8	117.9	108.4	-	-
Interest accrued but not due	333.7	119.9	17.9	-	-
	<b>456.5</b>	<b>237.8</b>	<b>126.3</b>	<b>-</b>	<b>-</b>

**6 LONG-TERM PROVISIONS****(In Rs MN)**

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
For Standard assets (refer note below)	291.0	198.9	122.9	46.2	2.3
For employee benefits: Gratuity (refer note 25)	6.2	3.4	3.0	2.2	-
	<b>297.2</b>	<b>202.3</b>	<b>125.9</b>	<b>48.4</b>	<b>2.3</b>

**Financial Year 2017-18**

6.1 To ensure that Non-Banking Financial Companies (NBFC) create a financial buffer to protect them from the effect of economic downturns, the Reserve Bank of India (RBI) issued a notification No. DNBS 222 / CGM (US)- 2011 dated January 17, 2011 as amended on timely basis, requiring all NBFCs to make a general provision of 0.40 per cent (Previous year 0.35 per cent) of outstanding standard assets. The Company has created provision for standard assets, which is sufficient to comply with the aforesaid RBI Notification.

**Financial Year 2016-17**

6.1 To ensure that Non-Banking Financial Companies (NBFC) create a financial buffer to protect them from the effect of economic downturns, the Reserve Bank of India (RBI) issued a notification No. DNBS 222 / CGM (US)- 2011 dated January 17, 2011 as amended on timely basis, requiring all NBFCs to make a general provision of 0.35 per cent (Previous year 0.30 per cent) of outstanding standard assets. The Company has created provision for standard assets, which is sufficient to comply with the aforesaid RBI Notification.

**Financial Year 2015-16**

5.1 To ensure that Non-Banking Financial Companies (NBFC) create a financial buffer to protect them from the effect of economic downturns, the Reserve Bank of India (RBI) issued a notification No. DNBS 222 / CGM (US)- 2011 dated January 17, 2011 as amended on timely basis, requiring all NBFCs to make a general provision of 0.30 per cent of outstanding standard assets. The Company has created provision for standard assets, which is sufficient to comply with the aforesaid RBI Notification.

## Financial Year 2014-15

5.1 To ensure that Non-Banking Financial Companies (NBFC) create a financial buffer to protect them from the effect of economic downturns, the Reserve Bank of India (RBI) issued a notification No. DNBS 22 / CGM (US) dated January 17, 2011, requiring all NBFCs to make a general provision at 0.25 per cent of outstanding standard assets. The Company has created provision for standard assets, which is sufficient to comply with the aforesaid RBI Notification.

## 7 SHORT-TERM BORROWINGS

(In Rs MN)

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>Secured</b>					
<b>Loans repayable on demand</b>					
<b>From banks</b>					
Working Capital demand Loan (refer note 7.1)	-	-	100.0	-	-
Cash credit facilities (refer note 7.2)	538.0	660.7	1,413.2	500.3	-
<b>Unsecured</b>					
<b>Other loans and advances</b>					
Commercial paper (refer note 7.3 and note 7.4)	8,150.0	8,100.0	5,500.0	7,500.0	-
Less: Unamortised interest on commercial paper	(284.3)	(235.5)	(282.7)	(141.2)	-
	<b>7,865.7</b>	<b>7,864.5</b>	<b>5,217.3</b>	<b>7,358.8</b>	<b>-</b>
Loans from holding company	-	-	1,450.0	-	875.0
	<b>7,865.7</b>	<b>7,864.5</b>	<b>6,667.3</b>	<b>7,358.8</b>	<b>875.0</b>
	<b>8,403.7</b>	<b>8,525.2</b>	<b>8,180.5</b>	<b>7,859.1</b>	<b>875.0</b>

## Financial Year 2017-18

7.1 Short term loan from bank is secured by way of hypothecation on certain identified loan fund balances of the Company.

7.2 Cash credit facility from bank is secured by way of hypothecation on certain identified loan fund balances of the Company.

7.3 The maximum amount of commercial paper outstanding at any time during the year was Rs.9,550.0 mn (Previous year Rs.8,100.0 mn).

7.4 Interest rate of commercial paper range from 6.78% to 8.90% p.a (previous year 7.35 % to 8.25% p.a).

## Financial Year 2016-17

7.1 Short term loan from bank is secured by way of hypothecation on certain identified loan fund balances of the Company.

7.2 Cash credit facility from bank is secured by way of hypothecation on certain identified loan fund balances of the Company.

7.3 The maximum amount of commercial paper outstanding at any time during the year was Rs.8,100.0 mn (Previous year Rs.8,600.0 mn).

7.4 Interest rate of commercial paper range from 7.35% to 8.25% p.a.

#### Financial Year 2015-16

7.1 Short term loan from bank is secured by way of hypothecation on certain identified loan fund balances of the Company.

7.2 Cash credit facility from bank is secured by way of hypothecation on certain identified loan fund balances of the Company.

7.3 The maximum amount of commercial paper outstanding at any time during the year was Rs.8,600.0 mn (Previous year 7,500.0 mn).

7.4 Interest rate of commercial paper range from 8.95% to 10.30% p.a.

#### Financial Year 2014-15

7.2 Cash credit facility from bank is secured by way of hypothecation on certain identified loan fund balances of the Company.

7.3 The maximum amount of commercial paper outstanding at any time during the year was Rs.7,500.0 mn (Previous year NIL).

7.4 Interest rate of commercial paper range from 9.15% to 9.97% p.a.

### 8 TRADE PAYABLES

#### Financial Year 2017-18

There are no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.  
(In Rs MN)

Particulars	As at 31.03.2018	As at 31.03.2017
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

#### Financial Year 2016-17, 2015-16

There are no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly disclosures, if any, relating to amounts unpaid as at the year end and together with the interest paid / payable as required under the said Act are not applicable.

## Financial Year 2014-15

(In Rs MN)

	As at 31.03.2015	As at 31.03.2014
Outstanding dues other than micro, small & medium enterprises.	4.9	#
	<b>4.9</b>	<b>#</b>

# Denotes amount below Rs. 50,000/-

There are no dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end and together with the interest paid / payable as required under the said Act have not been given.

## 9 OTHER CURRENT LIABILITIES

(In Rs MN)

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>Current maturities of long term borrowings:</b>					
-Term Loan from Bank and other parties (Refer note 4.1)	6,520.8	3,581.4	1,189.3	-	-
-Non-Convertible Debentures (Refer note 4.2 and 4.3)	4,430.0	3,600.0	750.0	-	-
	<b>10,950.8</b>	<b>7,181.4</b>	<b>1,939.3</b>	<b>-</b>	<b>-</b>
Finance lease obligations (Refer note 9.1 and 28)	0.3	0.4	0.4	0.2	-
Statutory dues	53.2	11.9	14.0	2.2	3.0
Interest accrued but not due	842.4	814.9	595.9	1.1	-
Employee benefits payable	131.7	106.1	54.2	95.2	-
Others	-	-	-	-	4.9
	<b>11,978.4</b>	<b>8,114.7</b>	<b>2,603.8</b>	<b>98.7</b>	<b>7.9</b>

9.1 Finance lease obligations are secured by way of hypothecation of vehicles.

## 10 SHORT-TERM PROVISIONS

(In Rs MN)

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Provision for tax (net)	17.8	-	24.2	8.5	1.8
Provision for non-performing assets	75.8	-	-	-	-
For employee benefits:					
-Gratuity (Refer note 25)	0.4	0.2	0.2	0.2	-
-Compensated absences	4.6	3.1	2.8	2.3	-
	<b>98.6</b>	<b>3.3</b>	<b>27.2</b>	<b>11.0</b>	<b>1.8</b>

**11 PROPERTY, PLANT AND EQUIPMENT**
**(In Rs MN)**

Description	GROSS BLOCK March 31					DEPRECIATION/AMORTISATION N					NET BLOCK March 31				
	As at 2018	As at 2017	As at 2016	As at 2015	As at 2014	As at 2018	As at 2017	As at 2016	As at 2015	As at 2014	As at 2018	As at 2017	As at 2016	As at 2015	As at 2014
<b>PROPERTY, PLANT AND EQUIPMENT</b>															
<b>Owned Assets:</b>															
Office premises	-	-	-	-	1.9	-	-	-	-	0.9	-	-	-	-	1.0
Electrical fittings	-	-	-	-	0.1	-	-	-	-	0.1	-	-	-	-	-
Freehold land	0.5	0.5	0.5	0.5	-	-	-	-	-	-	0.5	0.5	0.5	0.5	-
Computers	3.3	2.8	1.3	0.6	-	2.0	1.1	0.5	0.1	-	1.3	1.7	0.8	0.6	-
Furniture and fixtures	0.6	0.6	0.4	0.1	1.4	0.1	0.1	#	#	1.4	0.5	0.5	0.4	0.1	-
Office Equipment	0.2	0.2	0.1	-	0.3	0.1	0.1	#	-	0.3	0.1	0.1	0.1	-	-
Leasehold improvements	1.5	1.5	-	-	-	0.5	0.2	-	-	-	1.0	1.3	-	-	-
<b>Leased Assets:</b>															
Vehicles	1.8	1.8	0.9	0.2	-	1.4	1.0	0.5	0.1	-	0.4	0.8	0.4	0.1	-
<b>Total</b>	<b>7.9</b>	<b>7.4</b>	<b>3.2</b>	<b>1.4</b>	<b>3.7</b>	<b>4.1</b>	<b>2.5</b>	<b>1.0</b>	<b>0.2</b>	<b>2.7</b>	<b>3.8</b>	<b>4.9</b>	<b>2.2</b>	<b>1.3</b>	<b>1.0</b>
<b>INTANGIBLE ASSETS:</b>															
Software (Purchased)	4.2	4.1	0.9	-	-	1.3	0.6	-	-	-	2.9	3.5	0.9	-	-
<b>Grand total</b>	<b>12.1</b>	<b>11.5</b>	<b>4.1</b>	<b>1.4</b>	<b>3.7</b>	<b>5.4</b>	<b>3.1</b>	<b>1.0</b>	<b>0.2</b>	<b>2.7</b>	<b>6.7</b>	<b>8.4</b>	<b>3.1</b>	<b>1.3</b>	<b>1.0</b>

# Denotes amount below Rs.50,000/-

**12 DEFERRED TAX ASSETS (NET)****(In Rs MN)**

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Provision for standard assets	100.7	68.8	42.5	16.0	-
Disallowances under section 43B of the Income Tax Act, 1961	57.8	54.6	31.3	16.9	-
Share issue expense	0.7	1.3	2.0	2.6	-
Difference between books and tax written down value of fixed assets	(0.7)	(0.9)	(0.3)	#	-
	<b>158.5</b>	<b>123.8</b>	<b>75.5</b>	<b>35.5</b>	<b>-</b>

# Denotes amount below Rs.50,000/-

**13 LONG-TERM LOANS AND ADVANCES****(In Rs MN)**

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>(Unsecured unless otherwise stated and considered good)</b>					
<b>Loan Funds:</b>					
Secured*	47,327.7	38,753.3	33,153.0	16,628.7	900.0
Unsecured	1,000.0	-	-	-	-
Capital advances	0.1	-	2.3	0.7	-
Advance tax (net of provisions)	8.3	12.8	4.8	2.5	2.5
Security deposits	0.6	14.9	14.4	-	#
	<b>48,336.7</b>	<b>38,781.0</b>	<b>33,174.5</b>	<b>16,631.9</b>	<b>902.5</b>

# Denotes amount below Rs.50,000/-

**Financial Year 2017-18**

\*includes loan funds of Rs.950.0 mn (previous year Nil) in the form of Non-convertible debentures.

**14 CASH AND CASH EQUIVALENTS****(In Rs MN)**

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>Cash and cash equivalents</b>					
Cash in hand	-	#	#	#	-
Balances with banks					
- in current accounts	683.4	17.0	18.6	29.2	8.9
- in deposit accounts	500.0	-	1,000.0	-	15.0
	<b>1,183.4</b>	<b>17.0</b>	<b>1,018.6</b>	<b>29.2</b>	<b>23.9</b>
Other bank balances					
In deposit accounts	-	-	-	2.5	-
	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.5</b>	<b>-</b>
	<b>1,183.4</b>	<b>17.0</b>	<b>1,018.6</b>	<b>31.7</b>	<b>23.9</b>

# Denotes amount below Rs.50,000/-

**Financial Year 2015-16**

14.1 Deposit accounts under lien Nil, (Previous year Rs. 2.5 mn) against which overdraft facilities amounting to Nil (Previous year Nil) has been availed.

## Financial Year 2014-15

14.1 Deposit accounts under lien of Rs. 2.5 mn, (Previous year Nil) against which overdraft facilities amounting to Nil (Previous year Nil) has been availed.

### 15 SHORT-TERM LOANS AND ADVANCES

(In Rs MN)

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>Unsecured, unless otherwise stated and considered good</b>					
Loan funds (Secured)	24,811.1	17,606.2	6,741.7	1,815.9	9.1
Loan funds (Unsecured)	250.0	222.0	850.0	-	-
Income accrued and due	60.6	147.6	171.7	0.6	7.4
Income accrued but not due	-	-	25.2	24.8	-
Security deposits	-	-	-	14.3	-
Prepaid expenses	3.3	2.2	0.3	-	-
Other advances	1.4	3.1	6.7	0.8	3.8
	<b>25,126.4</b>	<b>17,981.1</b>	<b>7,795.6</b>	<b>1,856.4</b>	<b>20.3</b>

### 16 OTHER CURRENT ASSETS

(In Rs MN)

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Accrued interest on deposits with banks	-	-	0.4	0.1	#
	<b>-</b>	<b>-</b>	<b>0.4</b>	<b>0.1</b>	<b>#</b>

# Denotes amount below Rs.50,000/-

### 17 REVENUE FROM OPERATIONS

(In Rs MN)

	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>Income from funding activities</b>					
Interest on loans	8,697.5	7,077.4	4,683.6	723.8	22.9
Processing and prepayment fees	882.2	791.1	504.0	217.6	19.0
	<b>9,579.7</b>	<b>7,868.5</b>	<b>5,187.6</b>	<b>941.4</b>	<b>41.9</b>

**18 OTHER INCOME**

(In Rs MN)

	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2014
<b><u>Interest Income</u></b>					
Bank deposits	-	1.1	1.1	1.9	13.3
Interest on income tax refund	-	-	0.6	-	-
	-	1.1	1.7	1.9	13.3
<b>Profit on Sale of Investments (Net)</b>					
Current investments	19.6	12.5	0.6	-	0.7
<b>Dividend on investments</b>					
Current investments	-	1.5	4.6	36.6	4.0
Non-current investments	-	-	-	-	0.1
Profit on sale of assets	-	-	-	57.4	-
Miscellaneous income	-	#	#	-	-
	19.6	15.1	6.9	95.9	18.1

# Denotes amount below Rs.50,000/-

**19 EMPLOYEE BENEFITS EXPENSE**

(In Rs MN)

	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2014
Salaries, bonus, other allowances and benefits	228.0	217.0	181.1	115.9	-
Contribution to provident and other funds	4.3	3.2	3.0	0.8	-
Gratuity (refer note 25)	2.9	0.9	0.5	0.6	-
Staff welfare expenses	0.4	0.4	1.9	0.1	-
	235.6	221.5	186.5	117.4	-

**20 FINANCE COSTS**

(In Rs MN)

	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>Interest expense:</b>					
- on loans	3,778.5	3,044.0	1,663.7	126.6	29.8
- on bank overdraft	40.2	58.2	65.6	0.3	-
- on others	4.0	0.1	0.1	#	-
<b>Other borrowing costs</b>	93.9	20.3	17.4	6.7	-
	3,916.6	3,122.6	1,746.8	133.6	29.8

# Denotes amount below Rs.50,000/-



**21 PROVISION FOR LOANS****(In Rs MN)**

	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2014
Provision on standard assets	92.1	76.0	76.7	43.9	2.3
Provision on non-performing assets	75.8	-	-	-	-
	<b>167.9</b>	<b>76.0</b>	<b>76.7</b>	<b>43.9</b>	<b>2.3</b>

**22 OPERATING AND OTHER EXPENSES****(In Rs MN)**

	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2014
Rates and taxes	12.8	11.8	11.3	12.7	0.4
Legal and professional fees	17.3	37.2	21.1	12.6	#
Support service charges	107.0	104.5	89.9	6.4	-
Space and related charges	17.5	14.2	15.1	5.3	-
Information technology expenses	3.0	1.4	-	-	-
Travelling and conveyance	8.2	3.3	4.7	0.8	#
Filing fees	-	0.1	-	0.6	#
Auditors remuneration (refer note 24)	1.1	1.3	1.2	0.3	#
Repairs and maintenance	1.3	0.7	2.3	0.4	-
Electricity expenses	1.3	1.4	1.5	0.4	#
Donations (refer note 44)	60.1	30.5	14.8	-	0.1
Insurance expense	0.6	0.9	0.9	-	-
Bank charges	0.6	1.6	0.7	0.1	#
Printing and stationery	0.6	0.2	0.4	-	-
Membership and subscription	2.2	1.7	0.9	-	-
Communication expenses	0.6	0.6	0.6	0.1	-
Director sitting fees	0.8	0.8	#	-	-
Miscellaneous expenses	1.5	1.4	1.0	0.2	0.1
	<b>236.5</b>	<b>213.6</b>	<b>166.4</b>	<b>39.9</b>	<b>0.6</b>

# Denotes amount below Rs.50,000/-

**23 Contingent Liabilities and commitments:****(In Rs MN)**

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>Continent liability:</b>	-	-	-	-	-
<b>Undisbursed Commitment *</b>	9,410.1	622.6	2,248.8	-	-
<b>Capital Commitments:</b>					
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-	0.5	1.6	-
	<b>9,410.1</b>	<b>622.6</b>	<b>2,249.3</b>	<b>1.6</b>	<b>-</b>

**Financial Year 2017-18, 2016-17, 2015-16**

\*This disclosure is given pursuant to the notification no. DNBS.CC.PD.No.252/03.10.01/2011-12 dated 26th Dec, 2011 issued by Reserve Bank of India.

**24 Payment to Auditors: (Excluding service tax)****(In Rs MN)**

	For the year ended 31.03.2018	For the year ended 31.03.2017	For the year ended 31.03.2016	For the year ended 31.03.2015	For the year ended 31.03.2014
Audit Fees	0.8	0.8	0.9	0.3	#
In any other manner (Certifications, limited reviews, etc.)	0.3	0.5	0.3	-	#
Out of pocket	#	#	-	-	-
	<b>1.1</b>	<b>1.3</b>	<b>1.2</b>	<b>0.3</b>	<b>#</b>

# Denotes amount below Rs.50,000/-

**25 Employee Benefits:****Defined Contribution Plan:****Financial Year 2017-18**

Contributions are made to Government Provident Fund and Family Pension Fund which covers all regular employees. While both the employees and the Company make predetermined contributions to the provident fund, contribution to the family pension fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. Amount recognized as expense in respect of these defined contribution plans, aggregate Rs. 4.3 mn (Previous year Rs. 3.2 mn).

**Financial Year 2016-17**

Contributions are made to Government Provident Fund and Family Pension Fund which covers all regular employees. While both the employees and the Company make predetermined contributions to the provident fund, contribution to the family pension fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. Amount recognized as expense in respect of these defined contribution plans, aggregate Rs. 3.2 mn (Previous year Rs. 3.0 mn).

## Financial Year 2015-16

Contributions are made to Government Provident Fund and Family Pension Fund which covers all regular employees. While both the employees and the Company make predetermined contributions to the provident fund, contribution to the family pension fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. Amount recognized as expense in respect of these defined contribution plans, aggregate Rs. 3.0 mn (Previous year Rs. 0.8 mn).

## Financial Year 2014-15

Contributions are made to Government Provident Fund and Family Pension Fund which covers all regular employees. While both the employees and the Company make predetermined contributions to the provident fund, contribution to the family pension fund are made only by the Company. The contributions are normally based on a certain proportion of the employee's salary. Amount recognized as expense in respect of these defined contribution plans, aggregate Rs. 0.8 mn (Previous year nil).

### Defined Benefit Plan: [Gratuity (Unfunded)]

(In Rs MN)

<b>I. Reconciliation of liability recognised in the Balance Sheet</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Fair value of plan assets as at the end of the year	-	-	-	-	-
Present value of obligation as at the end of the year	6.8	3.6	3.2	2.4	-
Unrecognised past service cost	0.2	-	-	-	-
Net liability in the Balance Sheet	6.6	3.6	3.2	2.4	-

(In Rs MN)

<b>II. Movement in net liability recognised in the Balance Sheet</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Net liability as at the beginning of the year	3.6	3.2	2.4	-	-
Net expense recognised in the Statement of Profit and Loss	2.9	0.9	0.5	0.6	-
Liabilities assumed on acquisition / (settled on divestiture)	-	(0.4)	0.3	1.8	-
Payments during the year	-	(0.1)	-	-	-
Net liability as at the end of the year	6.6	3.6	3.2	2.4	-

(In Rs MN)

<b>III. Expense recognised in the Statement of Profit and Loss (Under the head employee benefit expenses)</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Current service cost	0.5	0.4	0.3	0.1	-
Interest cost	0.3	0.3	0.2	0.1	-
Past service cost	1.8	-	-	0.4	-
Actuarial losses	0.3	0.2	-	-	-
Expense charged to Statement of Profit and Loss	2.9	0.9	0.5	0.6	-

(In Rs MN)

<b>IV. Reconciliation of defined benefit commitments</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Commitments at the beginning of the year	3.6	3.2	2.4	-	-
Current service cost	0.5	0.4	0.3	0.1	-
Interest cost	0.3	0.3	0.2	0.1	-
Past service cost	1.8	-	-	0.4	-
Actuarial losses	0.3	0.2	#	-	-
Liabilities assumed on acquisition / (settled on divestiture)	-	(0.4)	0.3	1.8	-
Benefits Paid	-	(0.1)	-	-	-
Commitments at the year end	6.6	3.6	3.2	2.4	-

# Denotes amount below Rs.50,000/-

(In Rs MN)

<b>V. Experience Adjustments</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Defined benefit obligation	6.6	3.6	3.2	2.4	-
Surplus / (Deficit)	(6.6)	(3.6)	-	(2.4)	-
Experience adj. on plan Liabilities	0.8	#	#	-	-

# Denotes amount below Rs.50,000/-

(In Rs MN)

<b>VI. Actuarial Assumptions</b>	<b>As at 31.03.2018</b>	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>	<b>As at 31.03.2014</b>
Mortality table	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate	Indian Assured Lives (2006-08) Ultimate
Discount rate (per annum)	7.85%	7.20%	7.95%	8.00%	NA
Rate of escalation in salary (per annum)	7.00%	7.00%	7.00%	7.00%	NA

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

**26 Related Party Disclosure**

	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>(i) Names of related parties and description of relationship where control exists</b>					
<b>Holding Company</b>					
JM Financial Limited	✓	✓	✓	✓	✓ (w.e.f. March 29, 2014)
J.M. Financial & Investment Consultancy Services Pvt Ltd					✓ (till March 28, 2014)
<b>(ii) Names of related parties and description of relationship where transactions have taken place</b>					
<b>A. Holding Company</b>					
JM Financial Limited	✓	✓	✓	✓	✓ (w.e.f. March 29, 2014)
<b>B. Fellow Subsidiaries</b>					
JM Financial Institutional Securities Limited	✓ (up to December 31, 2017)	✓	✓	✓	
JM Financial Services Limited	✓	✓	✓	✓	
JM Financial Products Limited	✓	✓	✓	✓	
JM Financial Properties and Holdings Limited	✓	✓	✓	✓	
CR Retail Malls (India) Limited	✓				
JM Financial Commtrade Limited	✓				

<b>C. Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual</b>					
	<b>As at 31<sup>st</sup> March, 2018</b>	<b>As at 31<sup>st</sup> March, 2017</b>	<b>As at 31<sup>st</sup> March, 2016</b>	<b>As at 31<sup>st</sup> March, 2015</b>	<b>As at 31<sup>st</sup> March, 2014</b>
Mr. Nimesh Kampani	✗	✓ (up to September 30, 2016)	✓	✓	✓
Mr. Vishal Kampani	✓	✓	✓	✓	
Ms. Amishi Kampani	✓	✓	✓		
Mr. Hari Aiyar				✓	
<b>D. Enterprises over which any person described in (C) is able to exercise significant influence</b>					
J. M. Financial & Investment Consultancy Services Private Limited				✓	
<b>Key management personnel</b>					
Mr. Shashwat Belapurkar (CEO)	✓	✓			
Ms. Tara Subramaniam (COO)	✗ (up to March 31, 2017)	✓			
Mr. Gagan Kothari (CFO)	✓	✓			
Mr. Hemant Pandya (CS)	✓	✓			

✓ Related party as on year end date

**Summary of Transactions:**

(In Rs MN)

Name of the related party	Nature of transactions	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>A. Holding Company</b>						
JM Financial Limited	Issue of Equity shares	-	-	-	3,444.0	-
	Inter corporate deposit taken	-	-	1,450.0	-	-
	Inter corporate deposit repaid	-	1,450.0	-	875.0	875.0
	Interest expenses on inter corporate deposits taken	-	30.7	28.7	45.4	29.8
	Rating support fees	67.9	-	-	-	-
	Support service charges	19.8	18.0	18.0	6.0	-
	Reimbursement of expenses	0.1	4.0	6.1	2.5	-
	Closing balance payable as at the year end	23.4	-	1,450.0	-	875.0
<b>B. Fellow Subsidiaries</b>						
JM Financial Properties and Holdings Limited	Space and related charges	15.5	12.5	12.5	4.0	-
	Reimbursement of expenses (paid)	3.2	4.0	2.7	0.7	-
	Rent deposit repaid	14.3	-	-	14.3	-
	Closing balance as at the year end - rent deposit	-	14.3	14.3	14.3	-
JM Financial Services Limited	Demat charges	-	#	#	#	-
	Closing balance payable as at the year end	-	#	-	#	-
JM Financial Institutional Securities Limited	Transfer of gratuity	-	-	0.3	-	-
	Transfer of car loan	-	-	0.8	-	-
	Transfer of fixed assets (vehicles)	-	-	0.7	-	-
	Reimbursement of expenses (paid)	0.1	0.1	0.1	#	-
	Closing balance payable as at the year end	-	-	-	-	-

(In Rs MN)

Name of the related party	Nature of transactions	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
JM Financial Products Limited	Inter corporate deposits given	-	750.0	-	2,895.0	-
	Inter corporate deposits received back	-	750.0	-	2,895.0	-
	Inter corporate deposits taken	1,250.0	1,300.0	2,505.0	4,131.0	-
	Inter corporate deposits repaid	1,250.0	1,300.0	2,505.0	4,131.0	-
	Interest expenses on inter corporate deposits taken	1.9	0.8	11.1	7.1	-
	Interest income on inter corporate deposits given	-	0.2	-	3.1	-
	Support service charges	80.0	79.4	66.0	-	-
	Transfer of gratuity (paid)	-	0.4	-	-	-
	Transfer of gratuity (received)	-	-	-	1.8	-
	Transfer of Car Loan	-	-	-	0.2	-
	Transfer of fixed assets	-	-	-	0.6	-
	Reimbursement of expenses (paid)	-	-	#	0.7	-
	Closing balance payable as at the year end	-	9.9	69.0	-	-
CR Retail Malls (India) Limited	Inter corporate deposits given	250.0	-	-	-	-
	Inter corporate deposits received back	250.0	-	-	-	-
	Interest income on inter corporate deposits given	0.3	-	-	-	-
JM Financial Commtrade Limited	Inter corporate deposits given	420.0	-	-	-	-
	Inter corporate deposits received back	420.0	-	-	-	-
	Interest income on inter corporate deposits given	0.7	-	-	-	-
<b>C. Individuals owning, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual</b>						
Amishi Kampani	Remuneration	6.2	3.2	6.7	3.9	-
	Contribution to provident fund	0.1	0.0	0.1	#	-
	Closing balance payable as at the year end	6.6	6.2	6.1	3.2	-



(In Rs MN)						
Name of the related party	Nature of transactions	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015	As at 31 <sup>st</sup> March, 2014
<b>D. Enterprises over which any person described in (C) is able to exercise significant influence</b>						
J. M. Financial & Investment Consultancy Services Private Limited	Sale of investments	-	-	-	-	25.0
Key management personnel	Remuneration	82.8	110.4	96.7	-	-
	Contribution to provident fund	0.9	1.2	1.1	-	-
	Closing balance payable as at the year end	104.8	121.8	100.8	-	-

# Denotes amount below Rs.50,000/-

26.1 There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties.

26.2 The transactions disclosed above are exclusive of service tax and GST.

## 27 Segment Reporting

### Financial Year 2017-18, 2016-17, 2015-16, 2014-15,

The main business of the Company is in India to provide loans. All other activities of the Company revolve around the main business and accordingly there are no separate reportable segments, as per the Accounting Standard on 'Segment reporting' (AS 17) prescribed under section 133 of the Companies Act, 2013.

### Financial Year 2013-14

#### a) Primary Segment:

As per accounting standard 17, Company has three reportable business segments. (i.e.) (a) Fund based (b) Investments & (c) Rentals. (Previous year only two segments viz (a) Investments & (b) Rentals. Income for each segment has been specifically identified. Expenditure, assets and liabilities are either specifically identifiable with individual segments or have been allocated to segments on a systematic basis

Based on such allocations segmental wise details are as per annexure

(In Rs. MN)	
Particulars	31.03.2014
<b>Segment wise revenue</b>	
Fund based	55.1
Investments	4.8
Rentals	0.0
Unallocated	0.0
<b>Total segment revenue</b>	<b>60.0</b>
<b>Segment results</b>	
Fund based	23.0
Investments	4.8
Rentals	(0.2)
Unallocated	(0.8)
<b>Total segment results</b>	<b>26.9</b>
<b>Segment assets</b>	
Fund based	931.5
Investments	0.0
Rentals	1.0
Unallocated	13.4
<b>Total segment assets</b>	<b>945.9</b>
<b>Segment liabilities</b>	
Fund based	880.3
Investments	0.0
Rentals	0.0
Unallocated	4.9
<b>Total segment liabilities</b>	<b>885.2</b>
Capital expenditure incurred during the year	
Investments	-

Rentals	-
Unallocated	-
Total segment liabilities	-

**b) Secondary Segment (by Geographical segments):**

The Company does not have any reportable geographical segment.

**28 Lease Transactions:**

**Finance leases Financial**

**Year 2017-18**

The Company has taken vehicles on finance lease for a period of 36 months. The minimum lease rentals outstanding as at the year-end are as under:

(In Rs MN)

	<b>Total minimum lease payments outstanding as at the year end</b>	<b>Interest expenses</b>	<b>Present value of the minimum lease payments</b>
Not later than one year	0.4 (0.5)	0.1 (0.1)	0.3 (0.4)
Later than one year and not later than five years	0.2 (0.6)	# (0.1)	0.2 (0.5)
Later than five years	- (-)	- (-)	- (-)
<b>Total</b>	0.6 (1.1)	0.1 (0.2)	0.5 (0.9)

# Denotes amount below Rs.50,000/- Figures in brackets are for previous year.

**Financial Year 2016-17**

The Company has taken vehicles on finance lease for a period of 36 months. The minimum lease rentals outstanding as at the year-end are as under:

(In Rs MN)

	<b>Total minimum lease payments outstanding as at the year end</b>	<b>Interest expenses</b>	<b>Present value of the minimum lease payments</b>
Not later than one year	0.5 (0.4)	0.1 #	0.4 (0.4)
Later than one year and not later than five years	0.6 (0.1)	0.1 #	0.5 (0.1)
Later than five years	- (-)	- (-)	- (-)
<b>Total</b>	1.1 (0.5)	0.2 #	0.9 (0.4)

# Denotes amount below Rs.50,000/- Figures in brackets are for previous year.

### Financial Year 2015-16

The Company has taken vehicles on finance lease for a period of 36 months. The minimum lease rentals outstanding as at the year-end are as under:

(In Rs MN)			
	Total minimum lease payments outstanding as at the year end	Interest expenses	Present value of the minimum lease payments
Not later than one year	0.4 (0.2)	# #	0.4 (0.2)
Later than one year and not later than five years	0.1 (-)	# (-)	0.1 (-)
Later than five years	- (-)	- (-)	- (-)
<b>Total</b>	0.5 (0.2)	# #	0.4 (0.2)

# Denotes amount below Rs.50,000/- Figures in brackets are for previous year.

### Financial Year 2014-15

The Company has taken vehicles on finance lease for a period of 36 months. The minimum lease rentals outstanding as at the year end are as under:

(In Rs MN)			
	Total Minimum Lease Payments outstanding as at the year end	Interest expenses	Present value of the minimum lease payments
Not later than one year	0.2 (-)	# (-)	0.2 (-)
Later than one year and not later than five years	- (-)	- (-)	- (-)
Later than five years	- (-)	- (-)	- (-)
<b>Total</b>	0.2 (-)	# (-)	0.2 (-)

# Denotes amount below Rs.50,000/- Figures in brackets are for previous year.

**Operating leases**

The Company has taken certain premises on non-cancellable operating lease basis. The tenure of such agreements ranges from 36 months to 48 months.

The minimum lease rentals outstanding in respect of these are as under:

(In Rs MN)

Due	Total minimum lease payments outstanding as at 31st March, 2018	Total minimum lease payments outstanding as at 31st March, 2017	Total minimum lease payments outstanding as at 31st March, 2016	Total minimum lease payments outstanding as at 31st March, 2015	Total minimum lease payments outstanding as at 31st March, 2014
Not later than one year	18.9	13.2	13.2	13.5	-
Later than one year and not later than five years	71.2	50.6	38.8	56.5	-
Later than five years	-	-	-	-	-
<b>Total</b>	<b>90.1</b>	<b>63.8</b>	<b>52.0</b>	<b>70.0</b>	<b>-</b>

**Financial Year 2017-18**

Lease payments recognised in the Statement of Profit and Loss for the current year are Rs. 16.2 MN (Previous year Rs. 13.3 MN) excluding GST and Service tax.

**Financial Year 2016-17**

Lease payments recognised in the Statement of Profit and Loss for the current year are Rs. 14.2 MN (Previous year Rs. 15.1 MN).

**Financial Year 2015-16**

Lease payments recognised in the Statement of Profit and Loss for the current year are Rs. 15.1 MN (Previous year Rs. 5.3 MN).

**Financial Year 2014-15**

Lease payments recognised in the Statement of Profit and Loss for the current year are Rs. 5.3 MN (Previous year NIL/-).

**29** Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Profit for the year (In Rs MN)	3,282.9	2,772.5	1,975.4	488.0	17.1
Profit attributable to equity shareholders (In Rs MN)	3,282.9	2,772.5	1,975.4	488.0	17.1
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	24,89,098	14,19,812	12,50,004	5,39,864	50,000
Basic earnings per share (Rupees)	1,318.9	1,952.7	1,580.3	903.9	342.3
Dilutive potential equity shares (Nos.)	-	34,204	12,49,496	4,51,873	-
Weighted average number of	24,89,098	14,54,016	24,99,500	9,91,737	50,000

equity shares outstanding during the year for calculating diluted earnings per share (Nos.)					
Diluted earnings per share (Rupees)	1,318.9	1,906.8	790.3	492.1	342.3
Nominal value per share (Rupees)	10.0	10.0	10.0	10.0	10.0

**30** Information pursuant to RBI Guidelines on Securitisation of standard assets dated February 1, 2006

Sr No	Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
(i)	Total Number of transactions wherein Loan assets securitized	-	-	-	-	-
(ii)	Total book value of loan assets securitised – Rupees	-	-	-	-	-
(iii)	Total sales consideration received for the securitised assets – Rupees	-	-	-	-	-
(iv)	Gain on sale on account of securitisation – Rupees	-	-	-	-	-
(v)	Gain recognized in the Statement of Profit and Loss – Rupees	-	-	-	-	-
(vi)	Outstanding value of any services provided by way of credit enhancement, liquid support, post -securitisation asset servicing etc.	-	-	-	-	-
	<b>Total</b>	-	-	-	-	-

**31** Information pursuant to RBI Guidelines on Capital adequacy, liquidity and disclosure norms dated August 1, 2008 :-

**(i) Capital risk adequacy ratio (CRAR):**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
CRAR	22.44%	24.89%	27.10%	50.82%
CRAR - Tier I capital	22.07%	24.54%	26.81%	50.57%
CRAR - Tier II capital	0.37%	0.35%	0.29%	0.25%
Amount of subordinated debt raised as Tier-II capital	-	-	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-	-	-

(ii) Exposures:

A. Exposure to Real Estate Sector

(In Rs MN)

	Category	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
a)	<b>Direct Exposure</b>					
(i)	<b>Residential Mortgages-</b> Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to Rs. 15 lacs may be shown separately)					
(ii)	<b>Commercial Real Estate-</b> Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi family residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	72,138.8	55,729.5	39,614.7	17,694.6	900.0
(iii)	<b>Investments in Mortgage Backed Securities (MBS) and other securitised exposures-</b> a) Residential, b) Commercial Real Estate.					

## B. Exposures to Capital Market

(In Rs MN)

	Category	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-	-	-	-
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-	-	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	630.0	1,130.0	750.0	9.1
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-	-	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	-	-	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	-	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-	-	-	-
(viii)	All exposures to Venture	-	-	-	-	-



	Capital Funds (both registered and unregistered)					
	<b>Total exposure to Capital Market</b>		<b>630.0</b>	<b>1,130.0</b>	<b>750.0</b>	<b>9.1</b>

iii. Asset Liability Management:

Financial Year 2017-18

Maturity pattern of certain items of assets and liabilities:

(In Rs MN)

Particulars	1 day 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 years	Over 3 years to 5 years	Over 5 years	Total
<b>Assets</b>									
Deposits	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Advances	563.5 (1,546.1)	658.8 (2,287.2)	3,693.9 (1,478.7)	1,728.7 (2,984.9)	18,481.5 (9,684.2)	37,264.7 (32,300.7)	11,072.0 (6,480.2)	- -	<b>73,463.1</b> <b>(56,762.1)</b>
Investments	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
<b>Liabilities</b>									
Borrowing	267.9 (111.2)	2,067.0 (3,863.2)	4,421.0 (3,590.7)	6,053.6 (2,691.8)	6,545.5 (5,450.1)	28,791.6 (20,890.7)	7,341.4 (4,785.0)	- -	<b>55,488.0</b> <b>(41,382.7)</b>
Foreign currency assets	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
Foreign currency liabilities	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)

# Denotes amount below Rs.50,000/-

Notes:

- Information on maturity pattern of advances for which there are no specified repayment terms are based on the reasonable assumptions.
- Figures in brackets are for previous year.

**Financial Year 2016-17**

**Maturity pattern of certain items of assets and liabilities:**

**(In Rs MN)**

Particulars	1 day 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 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowing from Banks	111.2 (-)	139.0 (-)	664.2 (133.3)	941.6 (283.3)	5,449.9 (2,285.9)	12,354.2 (7,952.6)	3,995.0 (2,758.1)	- (-)	<b>23,655.1</b> <b>(13,413.2)</b>
Market Borrowings	# #	3,724.2 (739.3)	2,926.5 (1,940.3)	1,750.2 (1,453.4)	0.2 (3,284.6)	8,536.5 (7,880.1)	790.0 (679.0)	- (300.0)	<b>17,727.6</b> <b>(16,276.7)</b>
<b>Assets</b>									
Advances	1,546.1 (666.2)	2,287.2 (110.1)	1,478.7 (809.6)	2,984.9 (626.8)	9,684.2 (5,582.9)	32,300.7 (30,977.4)	6,480.2 (797.0)	- (1,400.1)	<b>56,762.1</b> <b>(40,970.1)</b>

# Denotes amount below Rs.50,000/-

Notes:

- Information on maturity pattern of advances for which there are no specified repayment terms are based on the reasonable assumptions.
- Figures in brackets are for previous year.

**Financial Year 2015-16**

**Maturity pattern of certain items of assets and liabilities:**

**(In Rs MN)**

<b>Particulars</b>	<b>1 day to 30/31 days (one month)</b>	<b>Over one month to 2 months</b>	<b>Over 2 months to 3 months</b>	<b>Over 3 months to 6 months</b>	<b>Over 6 months to 1 year</b>	<b>Over 1 year to 3 years</b>	<b>Over 3 years to 5 years</b>	<b>Over 5 years</b>	<b>Total</b>
<b>Liabilities</b>									
Borrowing from Banks	- (0.3)	- (-)	133.3 (-)	283.3 (-)	2,285.9 (500.0)	7,952.6 (650.0)	2,758.1 (-)	- (-)	<b>13,413.2</b> <b>(1,150.3)</b>
Market Borrowings	# (1,991.2)	739.3 (4,448.5)	1,940.3 #	1,453.4 #	3,284.6 (919.2)	7,880.1 (500.0)	679.0 (-)	300.0 (-)	<b>16,276.8</b> <b>(7,858.9)</b>
<b>Assets</b>									
Advances	666.2 (69.8)	110.1 (106.0)	809.6 (84.2)	626.8 (380.7)	5,582.9 (1,202.3)	30,977.4 (15,423.1)	797.0 (1,222.3)	1,400.1 (-)	<b>40,970.1</b> <b>(18,488.3)</b>

# Denotes amount below Rs.50,000/-

Notes:

- Information on maturity pattern of advances for which there are no specified repayment terms are based on the reasonable assumptions.
- Figures in brackets are for previous year.

**Financial Year 2014-15**

**Maturity pattern of certain items of assets and liabilities:**

**(In. Rs MN)**

Particulars	1 day 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 years	Over 3 years to 5 years	Over 5 years	Total
<b>Liabilities</b>									
Borrowing from Banks	0.3 (-)	- (-)	- (-)	- (-)	500.0 (-)	650.0 (-)	- (-)	- (-)	<b>1,150.3</b> (-)
Market Borrowings	1,991.2 (-)	4,448.5 (-)	# (-)	# (-)	919.2 (-)	500.0 (-)	- (-)	- (-)	<b>7,858.9</b> (-)
<b>Assets</b>									
Advances	69.8 (20.4)	106.0 (-)	84.2 (-)	380.7 (-)	1,202.3 (-)	15,423.1 (902.5)	1,222.3 (-)	- (-)	<b>18,488.3</b> (922.8)

# Denotes amount below Rs.50,000/-

Figures in brackets are for previous year

Notes:

- a) Information on maturity pattern of advances for which there are no specified repayment terms are based on the reasonable assumptions.

**32** Schedule to the Balance Sheet (as required in terms of Paragraph 18 of Master Directions – Non-Banking Financial Company - "Systemically Important Non- Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016

**(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:**

**(In Rs MN)**

	Particulars	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
		Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
	<b>Liabilities side</b>										
(a)	Debentures										
	(i) Secured	22,526.6	-	15,001.8	-	9,926.7	-	500.9	-	-	-
	(ii) Unsecured	-	-	-	-	-	-	-	-	-	-
	(other than falling within the meaning of public deposits)										
(b)	Deferred Credits	-	-	-	-	-	-	-	-	-	-
(c)	Term Loans	25,733.2	-	18,788.6	-	12,191.9	-	650.2	-	-	-
(d)	Inter-corporate loans and borrowing	-	-	-	-	1,450.0	-	-	-	875.0	-
(e)	Commercial Paper	7,865.7	-	7,864.5	-	5,217.3	-	7,358.8	-	-	-
(f)	Other Loans (Please Specify)	-	-	-	-	-	-	-	-	-	-
	Working Capital Loan	-	-	-	-	100.5	-	-	-	-	-
	Cash Credits	538.0	-	661.7	-	1,416.9	-	500.3	-	-	-
	Due under finance lease	0.5	-	0.9	-	0.4	-	0.2	-	-	-

**(2) Break up of Loans and Advances including bills receivables (other than those included in (4) below):**

(In Rs. MN)

	Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
	Assets side	Amount outstanding	Amount Outstanding	Amount Outstanding	Amount Outstanding	Amount Outstanding
(a)	Secured	72,138.8	56,359.5	39,894.7	18,444.6	909.1
(b)	Unsecured	1,250.0	222.0	850.0	-	-

**(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities:**

(In Rs. MN)

	Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
	Assets side	Amount outstanding	Amount Outstanding	Amount Outstanding	Amount Outstanding	Amount Outstanding
(i)	Lease assets including lease rentals under sundry debtors:					
	(a) Financial Lease	-	-	-	-	-
	(b) Operating Lease	-	-	-	-	-
(ii)	Stock on hire including hire charges under sundry debtors:					
	(a) Assets on hire	-	-	-	-	-
(iii)	Other loans counting towards AFC activities:					
	(a) Loans where assets have been repossessed	-	-	-	-	-
	(b) Loans other than (a) above	-	-	-	-	-

**(4) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities:**

**(In Rs. MN)**

	<b>Particulars</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>	<b>March 31, 2014</b>
	<b>Break – up of Investments:</b>	<b>Amount outstanding</b>	<b>Amount Outstanding</b>	<b>Amount Outstanding</b>	<b>Amount Outstanding</b>	<b>Amount Outstanding</b>
	Current Investments:					
	1. Quoted:					
	(i) Shares:					
	(a) Equity	-	-	-	-	-
	(b) Preference	-	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-	-
	(iii) Units of Mutual Funds	-	-	-	-	-
	(iv) Government Securities	-	-	-	-	-
	(v) Others (Please Specify)	-	-	-	-	-
	2. Unquoted:					
	(i) Shares:					
	(a) Equity	-	-	-	-	-
	(b) Preference	-	-	-	-	-
	(ii) Debentures and Bonds	-	-	-	-	-
	(iii) Units of Mutual Funds	-	-	-	-	-
	(iv) Government Securities	-	-	-	-	-
	(v) Others (Please Specify)	-	-	-	-	-



**(5) Borrower group – wise classification of assets financed as in (2) and (3) above:**

**(Amount net of provision)**

**(In Rs. MN)**

	Category	As at March 31, 2018			As at March 31, 2017			As at March 31, 2016			As at March 31, 2015			As at March 31, 2014		
		Secured	Unsecured	Total	Secured	Unsecured	Total	Secured	Unsecured	Total	Secured	Unsecured	Total	Secured	Unsecured	Total
<b>1</b>	Related Parties															
	(a) Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(b) Companies in the	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>2</b>	Other than related parties	72,138.8	1,250.0	73,388.8	56,359.5	222.0	56,581.5	39,894.7	850.0	40,744.7	18,444.6	-	18,444.6	909.1	-	909.1
	<b>Total</b>	72,138.8	1,250.0	73,388.8	56,359.5	222.0	56,581.5	39,894.7	850.0	40,744.7	18,444.6	-	18,444.6	909.1	-	909.1
	Less: Provision for non-performing assets	75.8	-	75.8	-	-	-	-	-	-	-	-	-	-	-	-
		<b>72,063.0</b>	<b>1,250.0</b>	<b>73,313.0</b>	<b>56,359.5</b>	<b>222.0</b>	<b>56,581.5</b>	<b>39,894.7</b>	<b>850.0</b>	<b>40,744.7</b>	<b>18,444.6</b>	<b>-</b>	<b>18,444.6</b>	<b>909.1</b>	<b>-</b>	<b>909.1</b>

**(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):**

**(In Rs. MN)**

	Category	As at March 31, 2018		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015		As at March 31, 2014	
		Market Value/ Breakup or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Breakup or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Breakup or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Breakup or fair value or NAV	Book Value (Net of Provisions)	Market Value/ Breakup or fair value or NAV	Book Value (Net of Provisions)
1)	<b>Related Parties</b>										
	(a) Subsidiaries	-	-	-	-	-	-	-	-	-	-
	(b) Companies in the same group	-	-	-	-	-	-	-	-	-	-
	(c) Other related parties	-	-	-	-	-	-	-	-	-	-
2)	<b>Other than related parties</b>	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-

**(7) Other Information:****(In Rs. MN)**

	<b>Particulars</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>	<b>March 31, 2014</b>
		<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
(i)	Gross Non – Performing Assets					
	(a) Related Parties	-	-	-	-	-
	(b) Other than related parties	758.0	-	-	-	-
(ii)	Net Non – Performing Assets					
	(a) Related Parties					
	(b) Other than related parties	682.2	-	-	-	-
(iii)	Assets acquired in satisfaction of debt	-	-	-	-	-

### 33 Financial Year 2017-18

There are no restructured advances as on March 31, 2018 Hence disclosure of information as required in terms of Paragraph 24 of Master Directions – Non-Banking Financial Company - "Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016 (as amended vide Notification No. DNBS(PD).No.272/CGM(NSV)-2014 dated January 23, 2014) is not warranted.

### Financial Year 2016-17 and 2015-16

There are no restructured advance, Hence disclosure of information as required in terms of sub-Para 9 of Paragraph 20B of Non Banking Financial (Non – Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended vide Notification No. DNBS(PD).No.272/CGM(NSV)- 2014 dated January 23, 2014) is not warranted.

### Financial Year 2014-15

There are no restructured advance as on March 31, 2015, Hence disclosure of information as required in terms of sub-Para 9 of Paragraph 20B of Non Banking Financial (Non – Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 (as amended vide Notification No. DNBS(PD).No.272/CGM(NSV)-2014 dated January 23, 2014) is not warranted.

### 34 Investments

	Particulars	As at 31.03.2018 (In Rs Mn)	As at 31.03.2017 (In Rs Mn)	As at 31.03.2016 (In Rs Mn)	As at 31.03.2015 (In Rs Mn)
(a)	<b>Value of Investments</b>				
(i)	Gross Value of Investments				
	(a) in India	-	-	-	-
	(b) Outside India	-	-	-	-
(ii)	Provision for depreciation				
	(a) in India	-	-	-	-
	(b) Outside India	-	-	-	-
(iii)	Net Value of Investments				
	(a) in India	-	-	-	-
	(b) Outside India	-	-	-	-
(b)	Movement of provisions held towards depreciation on investments				
(i)	Opening balances	-	-	-	-
(ii)	Add : Provisions made during the year	-	-	-	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-	-	-
(iv)	Closing balance	-	-	-	-

### 35. Additional & Miscellaneous Disclosures:

#### Financial Year 2017-18, 2016-17, 2015-16, 2014-15

(I) Registration obtained from other financial sector regulators

Company has not registered with other financial sector regulators except with Reserve Bank of India

(II) Disclosure of Penalties imposed by RBI and other regulators

(In Rs MN)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
	Nil	Nil	Nil	Nil	Nil

(III) Net Profit or Loss for the period, prior period items and changes in accounting policies:

There are no prior period items and changes in accounting policies impacting net profit for the year

(IV) Revenue Recognition has not been postponed on account of pending resolution of significant uncertainties

(V) Premium utilised for share issue expenses

(In Rs MN)

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Premium utilised for share issue expenses	Nil	Nil	Nil	5.8

### 36 Ratings assigned by credit rating agencies and migration of ratings during the year:

		As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
(i)	<b>ICRA Limited</b> Commercial Paper programme	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+
(ii)	Bank loan facility	[ICRA]AA/Stable	[ICRA]AA/Stable	[ICRA]AA	[ICRA]AA-(stable)
(iii)	Non-Convertible Debentures	[ICRA]AA/Stable	[ICRA]AA/Stable	[ICRA]AA	[ICRA]AA-(stable)
(i)	<b>CRISIL Limited</b> Commercial Paper programme	CRISIL A1+	CRISIL A1+	CRISIL A1+	-
(ii)	Bank loan facility	CRISIL AA/stable	CRISIL AA/stable	CRISIL AA/stable	-
(iii)	Non-Convertible Debentures	CRISIL AA/stable	CRISIL AA/stable	CRISIL AA/stable	-
(i)	<b>India Rating</b> Commercial Paper programme	IND A1+	IND A1+	IND A1+	-
(ii)	Bank loan facility	IND AA/Stable	IND AA/Stable	IND AA/Stable	-
(iii)	Non-Convertible Debentures	IND AA/Stable	IND AA/Stable	IND AA/Stable	-

**37 Provisions and Contingencies**

**Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss**

(In Rs MN)

Particulars	For the year 31.03.2018	For the year 31.03.2017	For the year 31.03.2016	For the year 31.03.2015	For the year 31.03.2014
Provisions for depreciation on Investment	-	-	-	-	
Provision towards NPA	75.8	-	-	-	
Provision made towards Income tax	1,792.2	1,523.6	1,081.7	246.7	
Other Provision and Contingencies (with details)	-	-	-	-	
Provision for Standard Assets	92.1	76.0	76.7	43.9	

**38 Concentration of Deposits, Advances and Exposures and NPAs:****Concentration of Deposits (for deposit taking NBFCs)**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Total Deposits of twenty largest depositors	NA	NA	NA	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	NA	NA	NA	NA

**Concentration of Advances**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Total Advances to twenty largest borrowers – (In Rs MN)	28,427.5	26,593.6	23,146.8	15,961.0	909.1
Percentage of Advances to twenty largest borrowers (group wise) to total Advances of the NBFC	38.74%	47.00%	56.81%	86.53%	100.00%

**Concentration of Exposures**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
Total Exposure to twenty largest borrowers / customers – (In Rs MN)	28,447.9	26,680.2	23,247.3	15,980.1	916.5
Percentage of Exposures to twenty largest borrowers / customers to total Exposure of the NBFC on borrowers / customers	38.70%	47.03%	56.82%	86.52%	100.00%

**Concentration of NPAs**

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Total exposure to top four NPA accounts	758.0	Nil	Nil	Nil

### Sector-wise NPAs

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
Agriculture & allied activities	Nil	Nil	Nil	Nil
MSME	Nil	Nil	Nil	Nil
Corporate borrowers	758.0	Nil	Nil	Nil
Services	Nil	Nil	Nil	Nil
Unsecured personal loans	Nil	Nil	Nil	Nil
Auto loans	Nil	Nil	Nil	Nil
Other personal loans	Nil	Nil	Nil	Nil
Other loans	Nil	Nil	Nil	Nil

### 39 Movement of NPAs:

	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
<b>Net NPAs to Net Advances (%)</b>				
<b>Movement of NPAs (Gross)</b>				
(a) Opening balance	-	-	-	-
(b) Additions during the year	758.0	-	-	-
(c) Reductions during the year	-	-	-	-
<b>(d) Closing balance</b>	<b>758.0</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Movement of Net NPAs</b>				
(a) Opening balance	-	-	-	-
(b) Additions during the year	682.2	-	-	-
(c) Reductions during the year	-	-	-	-
<b>(d) Closing balance</b>	<b>682.2</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Movement of provisions for NPAs (excluding provisions on standard assets)</b>				
(a) Opening balance	-	-	-	-
(b) Provisions made during the year	75.8	-	-	-
(c) Write-off / write-back of excess provisions	-	-	-	-
<b>(d) Closing balance</b>	<b>75.8</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 40 Disclosures of Complaints

#### Complaints

Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015
No. of complaints pending at the beginning of the year	-	-	-	-
No. of complaints received during the year	-	-	-	-
No. of complaints redressed during the year	-	-	-	-
No. of complaints pending at the end of the year	-	-	-	-

### 41 Financial Year 2017-18, 2016-17, 2015-16

Disclosure in respect of derivatives, securitisation transactions, consolidated financial statements, overseas assets (for those with joint ventures and subsidiaries abroad), off balance sheet SPV's sponsored are not applicable for the year to the Company.

## 42 Employee Stock Option Scheme: Financial Year 2017-18

JM Financial Limited granted the Stock Options to the eligible employees and/or directors (the Employees) of JM Financial Limited and its subsidiaries. Out of the total number of Options granted by JM Financial Limited, the following Stock Options pertain to the employees of the Company.

May 06, 2013      339,099 Stock Options

April 01, 2014      518,394 Stock Options

The option shall be eligible for vesting as per following schedule:

Vesting Date	Series	No. of Stock Options	Status	Exercise Period	Exercise Price per Option (In Rupees)
6th May, 2014	Series - VI	1,13,033	Vested	Seven years from the date of Grant	1
6th May, 2015	Series - VI	1,13,033	Vested	Seven years from the date of Grant	1
6th May, 2016	Series - VI	1,13,033	Vested	Seven years from the date of Grant	1
1st April, 2015	Series - VII	1,69,332	Vested	Seven years from the date of Grant	1
1st April, 2016	Series - VII	1,74,531	Vested	Seven years from the date of Grant	1
1st April, 2017	Series - VII	1,74,531	Vested	Seven years from the date of Grant	1

The current status of the stock options granted to the Employees is as under:

(In MN)

Particulars	Number of outstanding options	
	Current year	Previous year
Outstanding at the beginning of the year	0.2	0.5
Granted during the year	-	-
Transfer in during the year	-	-
Transfer out during the year	-	#
Lapsed/ forfeited during the year	-	-
Exercised during the year	0.2	0.3
Outstanding at the end of the year	-	0.2
Exercisable at the end of the year	-	#

# Denotes amount below Rs.50,000/-

The charge on account of the above scheme is included in employee benefit expense aggregating Rs. Nil (Previous year Rs.4.0 MN). Since the options are granted by JM Financial Limited (the Holding company), basic and diluted earnings per share of the Company would remain unchanged.



## Financial Year 2016-17

JM Financial Limited granted the Stock Options to the eligible employees and/or directors (the Employees) of JM Financial Limited and its subsidiaries. Out of the total number of Options granted by JM Financial Limited, the following Stock Options pertain to the employees of the Company.

April 16, 2012	333,333 Stock Options
May 06, 2013	339,099 Stock Options
April 01, 2014	518,394 Stock Options

The option shall be eligible for vesting as per following schedule:

Vesting Date	Series	No. of Stock Options	Status	Exercise Period	Exercise Price per Option (In Rupees)
16th April, 2013	Series – V	1,11,111	Vested	Seven years from the date of Grant	1
16th April, 2014	Series - V	1,11,111	Vested	Seven years from the date of Grant	1
16th April, 2015	Series - V	1,11,111	Vested	Seven years from the date of Grant	1
6th May, 2014	Series - VI	1,13,033	Vested	Seven years from the date of Grant	1
6th May, 2015	Series - VI	1,13,033	Vested	Seven years from the date of Grant	1
6th May, 2016	Series - VI	1,13,033	Vested	Seven years from the date of Grant	1
1st April, 2015	Series - VII	1,69,332	Vested	Seven years from the date of Grant	1
1st April, 2016	Series - VII	1,74,531	Vested	Seven years from the date of Grant	1
1st April, 2017	Series - VII	1,74,531	To be vested	Seven years from the date of Grant	1

The current status of the stock options granted to the Employees is as under:

Particulars	(In MN)	
	Number of outstanding options	
	Current year	Previous year
Outstanding at the beginning of the year	0.5	0.8
Granted during the year	-	-
Transfer in during the year	-	#
Transfer out during the year	#	-
Lapsed/ forfeited during the year	-	-
Exercised during the year	0.3	0.4
Outstanding at the end of the year	0.2	0.5
Exercisable at the end of the year	#	#

# Denotes amount below Rs.50,000/-

The charge on account of the above scheme is included in employee benefit expense aggregating Rs. 4.0 MN (Previous year Rs.6.1 MN). Since the options are granted by JM Financial Limited (the Holding company), basic and diluted earnings per share of the Company would remain unchanged.

## Financial Year 2015-16

JM Financial Limited granted the Stock Options to the eligible employees and/or directors (the Employees) of JM Financial Limited and its subsidiaries. Out of the total number of Options granted by JM Financial Limited, the following Stock Options pertain to the employees of the Company.

April 16, 2012	333,333 Stock Options
May 06, 2013	339,099 Stock Options
April 01, 2014	518,394 Stock Options

The option shall be eligible for vesting as per following schedule:

Vesting Date	Series	No. of Stock Options	Status	Exercise Period	Exercise Price per Option
					(In Rupees)
16th April, 2013	Series – V	1,11,111	Vested	Seven years from the date of Grant	1
16th April, 2014	Series - V	1,11,111	Vested	Seven years from the date of Grant	1
16th April, 2015	Series - V	1,11,111	Vested	Seven years from the date of Grant	1
6th May, 2014	Series - VI	1,13,033	Vested	Seven years from the date of Grant	1
6th May, 2015	Series - VI	1,13,033	Vested	Seven years from the date of Grant	1
6th May, 2016	Series - VI	1,13,033	To be vested	Seven years from the date of Grant	1
1st April, 2015	Series - VII	1,69,332	Vested	Seven years from the date of Grant	1
1st April, 2016	Series - VII	1,74,531	To be vested	Seven years from the date of Grant	1
1st April, 2017	Series - VII	1,74,531	To be vested	Seven years from the date of Grant	1

The current status of the stock options granted to the Employees is as under:

(In MN)

Particulars	Number of outstanding options	
	Current year	Previous year
Outstanding at the beginning of the year	0.8	-
Granted during the year	-	-
Transfer in during the year	#	1.2
Lapsed/ forfeited during the year	-	-
Exercised during the year	0.4	0.3
Outstanding at the end of the year	0.5	0.8
Exercisable at the end of the year	#	-

# Denotes amount below Rs.50,000/-

The charge on account of the above scheme is included in employee benefit expense aggregating Rs. 6.1 MN (Previous year Rs.2.5 MN). Since the options are granted by JM Financial Limited (the Holding company), basic and diluted earnings per share of the Company would remain unchanged.

#### Financial Year 2014-15

JM Financial Limited granted the Stock Options to the eligible employees and/or directors (the Employees) of JM Financial Limited and its subsidiaries. Out of the total number of Options granted by JM Financial Limited, the following Stock Options pertain to the employees of the Company.

April 16, 2012	333,333 Stock Options
May 06, 2013	339,099 Stock Options
April 01, 2014	507,996 Stock Options

The option shall be eligible for vesting as per following schedule:

Vesting Date	Series	No. of Stock Options	Status	Exercise Period	Exercise Price per Option (Rupees)
16th April, 2013	Series - V	1,11,111	Vested	Seven years from the date of Grant	1
16th April, 2014	Series - V	1,11,111	Vested	Seven years from the date of Grant	1
16th April, 2015	Series - V	1,11,111	To be vested	Seven years from the date of Grant	1
6th May, 2014	Series - VI	1,13,033	Vested	Seven years from the date of Grant	1
6th May, 2015	Series - VI	1,13,033	To be vested	Seven years from the date of Grant	1
6th May, 2016	Series - VI	1,13,033	To be vested	Seven years from the date of Grant	1
1st April, 2015	Series - VII	1,69,332	To be vested	Seven years from the date of Grant	1
1st April, 2016	Series - VII	1,69,332	To be vested	Seven years from the date of Grant	1
1st April, 2017	Series - VII	1,69,332	To be vested	Seven years from the date of Grant	1

The current status of the stock options granted to the Employees is as under:

Particulars	(In MN)	
	Number of outstanding options	
	Current year	Previous year
Outstanding at the beginning of the year	-	-
Granted during the year	-	-
Transfer in during the year	1.2	-
Lapsed/ forfeited during the year	-	-
Exercised during the year	0.3	-
Outstanding at the end of the year	0.8	-
Exercisable at the end of the year	-	-

The charge on account of the above scheme is included in employee benefit expense aggregating Rs. 2.5 MN (Previous year Nil). Since the options are granted by JM Financial Limited (the Holding company), basic and diluted earnings per share of the Company would remain unchanged.

- 43 Disclosure required in terms of Regulation 34(3) and 53(f) Of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015:

#### Financial Year 2017-18

Loans and advances in the nature of loans given to subsidiaries and associates:

(In Rs MN)

Name of the company	Relationship	Maximum Balance	Closing Balance
JM Financial Products Limited	Fellow Subsidiary	-	-
		(750.0)	(-)
JM Financial Commtrade Limited	Fellow Subsidiary	420.0	-
		(-)	(-)
CR Retail Malls (India) Limited	Fellow Subsidiary	250.0	-
		(-)	(-)

Loans and advances shown above are interest bearing and are repayable on demand. (Figures in brackets indicates previous year figures)

#### Financial Year 2016-17

Loans and advances in the nature of loans given to subsidiaries and associates:

(In Rs MN)

Name of the company	Relationship	Maximum Balance	Closing Balance
JM Financial Products Limited	Fellow Subsidiary	750.0	-
		(-)	(-)

Loans and advances shown above are interest bearing and are repayable on demand. (Figures in brackets indicates previous year figures)

#### Financial Year 2015-16

Loans and advances in the nature of loans given to subsidiaries and associates:

(In Rs. MN)

Name of the company	Relationship	Maximum Balance	Closing Balance
JM Financial Products Limited	Fellow Subsidiary	-	-
		(1,300.0)	(-)

Loans and advances shown above are interest bearing and are repayable on demand. (Figures in brackets indicates previous year figures)

#### Financial Year 2014-15

Loans and advances in the nature of loans given to subsidiaries and associates:

(In Rs. MN)

Name of the company	Relationship	Maximum Balance	Closing Balance
JM Financial products Limited	Fellow Subsidiary	1,300.0	-
		(-)	(-)

Loans and advances shown above are interest bearing and are repayable on demand. (Figures in brackets indicates previous year figures)

- 44** Expenses towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII thereof)

**Financial Year 2017-18**

- (a) Gross amount required to be spent by the company during the year – Rs 53.9 MN (Previous year Rs.25.4 MN)  
 (b) Amount spent and paid during the year by way of donation to charitable trusts – Rs 54.1 MN (Previous year Rs.25.5 MN) for purposes other than Construction/acquisition of any assets.

**Financial Year 2016-17**

- (a) Gross amount required to be spent by the company during the year – Rs 25.4 MN (Previous year Rs.4.8 MN)  
 (b) Amount spent and paid during the year by way of donation to charitable trusts – Rs 25.5 MN (Previous year Rs.4.8 MN)

**Financial Year 2015-16**

- (a) Gross amount required to be spent by the company during the year – Rs 4.8 MN (Previous year Rs. Nil)  
 (b) Amount spent and paid during the year by way of donation to charitable trusts – Rs 4.8 MN (Previous year Rs. Nil)

**45 Financial Year 2017-18, 2016-17, 2015-16, 2014-15**

The main business of the Company is in India to provide loans. All other activities of the Company revolve around the main business and accordingly there are no separate reportable segments, as per the Accounting Standard on 'Segment reporting' (AS 17) prescribed under section 133 of the Companies Act, 2013.

**46 Unhedged Foreign Currency Exposure**

(In Rs MN)

Sr No	Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016
1	Foreign Currency Exposures (FCE)	Nil	Nil	Nil
2	Total credit exposures (sanctioned) from banking system (in foreign currency)	Nil	Nil	Nil

- 47** Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016.

**Financial Year 2016-17**

(In Rs. MN)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	#	#	#
(+) Permitted receipts	-	-	-
(-) Permitted payments	-	-	-
(-) Amount deposited in Banks	#	-	#
Closing cash in hand as on 30.12.2016	-	#	#

# Denotes amount below Rs.50,000/-

**48 Financial Year 2017-18, 2016-17, 2015-16, 2014-15**

Figures of previous year have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**49 Financial Year 2013-14**

Claims against the Company not acknowledged is Rs.Nil towards additional Municipal Taxes. (Financial year 2012-13 Rs.3.3 MN)

**50 Financial Year 2013-14**

During the year, the Company changed the method of providing depreciation on fixed assets from written down value method to straight line method. As a result, short depreciation till 31.03.2013 (Net) has been provided and adjusted with current year's depreciation in the Profit & Loss account by Rs.0.3 MN

**51 Financial Year 2013-14**

The Company has not received any intimation from "supplier" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any relating to amount unpaid as at the year end together with interest paid / payable as required under the said act have not been given.

**52 The Reformatted Consolidated Financial Information have been extracted by management from the audited Financial Statements of the Company for the years ended 31 March 2018, 31 March 2017, 31 March 2016, and 31 March 2015 which were approved by Board of Directors of the Company and which have been audited by Deloitte Haskins & Sells LLP, Chartered Accountants and from the audited Financial Statements of the Company for the year ended 31 March 2014 which was approved by Board of Directors of the Company and which have been audited by Arun Arora & Co, Chartered Accountants. They respective auditors have issued an audit opinion dated 30 April, 2018, 27 April, 2017, 12 May, 2016, 19 May, 2015 and 23 April, 2014 for the financial year ended 31 March 2018, 31 March 2017, 31 March 2016, 31 March 2015 and 31 March 2014 respectively to the Members of the Company. The Reformatted Summary Financial Statements as at end for the years ended March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014 has been regrouped / reclassified wherever necessary to correspond with the presentation / disclosure requirements of the financial year ended March 31, 2018 to comply with the requirements of Section 26(1)(b) of the Companies Act, 2013 read with Rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (included under Chapter III of Appendix III) (hereinafter referred to as the "Act") and items (i) and (j) of Paragraph 3A of Schedule I of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended to date (the "SEBI (ILDS) Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the proposed public issue of Secured and Unsecured Redeemable Non-Convertible Debentures ("NCDs") of the Company (the "Issue")**

**REFORMATTED CASH FLOW STATEMENT**

(In Rs. MN)

	Particulars	For the year ended	For the year ended	For the year ended	For the year ended	For the year ended
		As at 31.03.2018	As at 31.03.2017	As at 31.03.2016	As at 31.03.2015	As at 31.03.2014
<b>A</b>	<b>Cash flow from operating activities</b>					
	Profit before tax	5,040.4	4,247.8	3,017.2	702.2	26.9
	<b>Adjustment for:</b>					
	Depreciation and amortisation expenses	2.3	2.1	0.9	0.2	0.4
	Profit on sale of investments (net)	(19.6)	(12.5)	(0.6)	-	(0.7)
	Provision for gratuity	2.9	0.9	0.5	0.6	-
	Provision for compensated absences	1.5	0.4	0.5	2.3	-
	Provision for standard and non-performing assets	167.9	76.0	76.7	43.9	2.3
	Interest on income tax refund	-	-	(0.6)	-	#
	Interest on fixed deposits	-	(1.1)	(1.1)	(1.9)	(13.3)
	Interest expenses - others	4.0	0.1	0.1	#	-
	Profit on sale of assets	-	-	-	(57.4)	-
	Dividend income	-	(1.5)	(4.6)	(36.6)	(4.1)
	<b>Operating profit before working capital changes</b>	<b>5,199.4</b>	<b>4,312.2</b>	<b>3,089.0</b>	<b>653.3</b>	<b>11.5</b>
	Adjustment for:					
	Increase in long-term loans and advances and other current assets	(16,705.6)	(15,783.5)	(22,479.4)	(17,565.5)	(920.3)
	Increase in trade payables and other liabilities	322.0	325.7	761.1	95.6	6.6
	Decrease in Provisions	-	(0.6)	0.3	1.8	-
	<b>Cash (used in) operations</b>	<b>(11,184.2)</b>	<b>(11,146.2)</b>	<b>(18,629.0)</b>	<b>(16,814.8)</b>	<b>(902.2)</b>
	Direct taxes paid	(1,773.7)	(1,555.8)	(1,067.9)	(239.9)	(8.0)
	<b>Net cash (used in) operating activities</b>	<b>(12,957.9)</b>	<b>(12,702.0)</b>	<b>(19,696.9)</b>	<b>(17,054.7)</b>	<b>(910.2)</b>
<b>B</b>	<b>Cash flow from investing activities</b>					
	Purchase of current investments – Others	(74,540.4)	(45,055.0)	(16,772.8)	(16,733.3)	(1,345.3)
	Sale of current investments – Others	74,560.0	45,067.5	16,773.4	16,733.3	1,346.0
	Sale of non-current investments – Others	-	-	-	-	25.0
	Purchase of fixed assets	(0.6)	(7.4)	(2.7)	(1.4)	-
	Sale of fixed assets	-	-	-	58.4	-

(In Rs. MN)

	Particulars	For the year ended As at 31.03.2018	For the year ended As at 31.03.2017	For the year ended As at 31.03.2016	For the year ended As at 31.03.2015	For the year ended As at 31.03.2014
C	Increase in other bank balance	-	-	2.5	(2.5)	-
	Interest received on Bank Deposits	-	1.1	0.7	1.9	13.3
	Dividend Income	-	1.5	4.6	36.6	4.1
	<b>Net cash generated from investment activities</b>	<b>19.0</b>	<b>7.7</b>	<b>5.7</b>	<b>93.0</b>	<b>43.1</b>
	<b>Cash flow from financing</b>					
	Proceeds from issue of share capital - Equity/Preference	-	-	-	8,841.8	-
	Share issue expenses	-	-	-	(8.8)	-
	Interest paid	(0.1)	(0.1)	(0.1)	#	-
	Proceeds from long-term borrowings	22,349.8	14,325.0	20,359.1	1,150.0	-
	Repayment of long-term borrowings	(8,122.9)	(2,976.9)	-	-	-
	Proceeds from short-term borrowings	22,015.7	82,299.2	53,109.0	11,990.1	1,575.0
	Repayment of short-term borrowings	(22,137.2)	(81,954.5)	(52,787.5)	(5,006.0)	(700.0)
	<b>Net cash generated from financing activities</b>	<b>14,105.3</b>	<b>11,692.7</b>	<b>20,680.5</b>	<b>16,967.1</b>	<b>875.0</b>
	Net increase / (Decrease) in Cash and cash equivalents	1,166.4	(1,001.6)	989.3	5.4	7.9
	Cash and cash equivalents at the beginning of the year	17.0	1,018.6	29.3	23.9	16.0
	<b>Cash and cash equivalents at the end of the year</b>	<b>1,183.4</b>	<b>17.0</b>	<b>1,018.6</b>	<b>29.3</b>	<b>23.9</b>

# Denotes amount below Rs.50,000/-

**Notes**

- 1 The cash flow statement has been prepared under the 'Indirect Method' set out in AS 3 - "CashFlow Statement" notified in Companies (Accounting standards) Rules, 2006 (as amended).
- 2 Previous year's figures have been regrouped and rearranged wherever necessary





ICRA Limited

CONFIDENTIAL

Ref: 2018-19/MUMR/1196  
November 01, 2018

Mr. Manish Sheth  
Group Chief Financial Officer  
JM Financial Credit Solutions Limited  
5B, 5th Floor, Chenergy,  
Appasaheb Marathe Marg, Prabhadevi,  
Mumbai – 400 025

Dear Sir,

**Re: Revalidation of Credit Rating for Rs. 2,000 crore NCD Programme<sup>1</sup> of JM Financial Credit Solutions Limited**

This is with reference to your request for re-validating the rating for the captioned programme.

We hereby confirm that the "[ICRA]AA" rating with stable outlook assigned to the captioned programme and last communicated to you vide our letters dated May 11, 2018 stands. Instruments with [ICRA]AA rating are considered to have high degree of safety regarding timely payment of financial obligations. Such instruments carry very low credit risk.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letter Ref: 2018-19/MUM/0178 dated May 11, 2018

With kind regards,

Yours faithfully,  
For ICRA Limited

  
**SUBRATA RAY**  
Senior Group Vice President  
[subrata@icraindia.com](mailto:subrata@icraindia.com)

  
**AMLAN JYOTI BADU**  
Analyst  
[amlan.badu@icraindia.com](mailto:amlan.badu@icraindia.com)

<sup>1</sup> Public issue of secured and unsecured non-convertible debentures

## JM Financial Credit Solutions Limited

May 14, 2018

### JM Financial Credit Solutions Limited: Ratings Reaffirmed

#### Summary of rated instruments

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible debenture programme <sup>1</sup>	2,000.00	2,000.00	[ICRA]AA (stable); Reaffirmed
Long term bank lines	3,500.00	3,500.00	[ICRA]AA (stable); Reaffirmed
Long term market linked debenture programme (Principal Protected)	300.00	300.00	PP-MLD[ICRA]AA (stable); Reaffirmed
Commercial Paper programme	2,000.00	2,000.00	[ICRA]A1+; Reaffirmed
Non-convertible debenture programme	3,000.00	3,000.00	[ICRA]AA (stable) ; Reaffirmed
<b>Total</b>	<b>10,800.00</b>	<b>10,800.00</b>	

\*Instrument details are provided in Annexure-1

#### Rating action

ICRA has reaffirmed the long-term rating of [ICRA]AA (pronounced ICRA double A) assigned to the Rs. 2,000 crore non-convertible debenture (NCD) programme<sup>1</sup>, Rs. 3,500 crore NCD programme, Rs. 3,500 crore long term bank lines of JM Financial Credit Solutions Limited (JMFCSL, or 'the company'). ICRA has also reaffirmed the long-term rating of PP-MLD[ICRA]AA (pronounced Principal Protected Market Linked Debenture ICRA double A) assigned to the Rs. 300 crore long term market linked debenture programme (NCD) programme and the short-term rating of [ICRA]A1+ (pronounced ICRA A one plus) assigned to the Rs. 2,000 crore commercial paper programme of the company. The outlook on the long-term rating is Stable.

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

#### Rationale

The rating factors in the company's strong parentage being a part of the JM Financial Group which is a diversified financial service provider having a demonstrated track record, strong franchise and established market position in the industry. The rating also factors the successful diversification of the group into lending and stressed asset management businesses as demonstrated by the scaling up of operations in the new verticals and increase in share in revenues of these new verticals in the past three years. While reaffirming the ratings, ICRA has taken note of the close linkages among the Group entities

<sup>1</sup> Public issue of secured and unsecured non-convertible debentures

given the common promoters and senior management team, shared brand name, and strong financial and operational synergies. Furthermore, ICRA believes the financial, managerial and operational support from the group to continue to be available to all the key group companies.

While reaffirming the ratings, ICRA has taken note of the inherent risk profile of the key segments like real estate and promoter funding. The portfolio concentration remains high given the focus on wholesale lending, which attributes to 81% of the total book as on March 31, 2018. There could be sharp deterioration in asset quality in case of any slippages. The group had reported a healthy asset quality till FY2017, witnessed deterioration in asset quality in FY2018 owing to a lumpy slippage in the real estate segment. On aggregate basis, the gross non-performing assets to advances increased from 0.1% as of March 2017 to 0.6% as of March 2018, though it continues to remain at a comfortable level. ICRA also draws comfort from the group's proactive monitoring and resolution process, its conservative underwriting norms and adequate risk management systems. The ratings continue to take into account the healthy performance of the JM Financial group at a consolidated level with robust profitability indicators, comfortable capitalisation and healthy financial flexibility given the comfortable gearing even while ramping up its lending operations. ICRA has taken note of the elongation in the group's debt maturity profile over the past three years, with the share of long term debt in the total borrowings increasing from 12% as of March 2015 to 66% as of March 2018. Given the rising prominence of the lending business, the group's ability to manage its asset and liability profile would remain critical. ICRA takes comfort from the group's adequate liquid assets of JM Financial group and ability of the group to raise funds from the market when required as demonstrated in the past. The rating also factors in the group's dependence on the cyclical capital markets. Going forward, the group's ability to scale up its operations while maintaining profitability, capitalisation and asset quality would remain critical from a credit perspective.

## Outlook: Stable

ICRA believes that JM Financial Group will continue to benefit from its diversified business profile, its demonstrated track record and established position in capital markets related businesses and its robust risk management systems.

The outlook may be revised to 'Positive' if there is a substantial and sustained improvement in the group's profitability, leading to an improvement in its financial risk profile. The outlook may be revised to 'Negative' if there is significant deterioration in the asset quality of the credit book and profitability indicators, thereby adversely affecting its financial risk profile.

## Key rating drivers

### Credit strengths

**Strong brand name of the group with diversified revenue stream** - The JM Financial group is a diversified financial services entity with interests in investment banking, retail and institutional equity broking, wealth management, investment advisory services, portfolio management, asset management, commodity broking, securities-based lending, corporate lending, real estate lending, private equity, and asset reconstruction. The group is one of the leading entities in capital markets and related businesses with prime focus on investment banking and merchant banking operations and has been engaged in many marquee deals. At a consolidated basis, the group's revenue stream remains well diversified with fund-based businesses, investment banking and related businesses and the asset management and related businesses attributing to 70%, 26% and 4% of total revenues respectively during FY2018 as compared to 69%, 27% and 4% respectively during FY2017.

**Ramp-up in lending business in the past three years** - JM Financial group made a foray into non-capital market lending business in 2008, and since then, this business has emerged as a key contributor to the group's revenues. The group conducts its lending business through three NBFCs, namely, JM Financial Products Limited (JMFPL), JM Financial Credit Solutions Limited (JMFCSL) and JM Financial Capital Limited (JMFCL). While JMFCSL caters to the real estate segment, JMFPL (a subsidiary of JMFL) houses the non-real estate wholesale lending and capital market lending segments. Going forward, capital market lending will primarily be housed under JMFCL. The real estate portfolio, which was the key driver for loan-book growth in FY2017, reported subdued growth during FY2018 given the slowdown in the industry coupled with competitive pressures. The ramp-up in corporate and structured lending and capital market lending segments, however, more than offset the impact, with the overall loan book increasing from Rs. 11,343 crore as of March 31, 2017 to Rs. 14,772 crore as on March 31, 2018. As on March 31, 2018, real estate financing, corporate funding, capital markets and SME lending accounted for 63%, 18%, 16% and 3% of the loan book respectively. JM Financial group has recently made a foray into lending to the small and medium enterprises (SME) segment and has started its housing finance business through JM Financial Home Loans Limited, a step-down subsidiary of JM Financial Limited which received approval from National Housing Bank (NHB) for carrying out housing finance activities in November 2017.

**Improved profitability of the group with an increase in revenues and stable expenses** - During FY2018, the group's total income<sup>2</sup> increased by 38% to Rs. 3,131 crore from Rs. 2,267 crore in FY2017 driven by the expanding lending business and improved profitability in capital market related business. With the group adequately managing the operating expenses, the net profit (after minority interest) increased to Rs. 631 crore (return on equity, RoE<sup>3</sup> of ~17%) during FY2017 from Rs. 470 crore in FY2017 (RoE<sup>3</sup> of ~16%).

**Adequate capitalisation at the group level commensurate with the current scale of operations** - The group's capitalisation remains adequate with capital adequacy ratio (CRAR) of 22.4% as on March 31, 2018, as against 24.1% as of March 31, 2017. ICRA takes note of the Rs. 650 crore capital raised by the company in February 2018.

**Healthy financial flexibility given the comfortable leverage** - The total borrowings at the consolidated level increased from Rs. 10,802 crore as on March 31, 2017 to Rs. 14,674 crore as on March 31, 2018. Accordingly, consolidated leverage increased to 2.6 times as on March 31, 2018 from 2.5 times as on March 31, 2017, though it continues to remain healthy. ICRA takes comfort from the relatively lower consolidated gearing when compared to its peers and the group's stated plans to maintain a leverage of under 4.0 times, at all points in time.

**Comfortable asset quality of the funding portfolio** - The group's overall loan book is sufficiently collateralised and its asset quality has also remained stable over the last few years. During Q2FY2018, due to a lumpy slippage in real estate lending segment, the gross and net NPA increased to ~0.6% each as on September 30, 2017. As on March 31, 2018, gross and net NPA remained stable at 0.6% and 0.6% respectively. However, in ICRA's view, the asset quality indicators still remain at a comfortable level. ICRA draws comfort from the robust risk management systems and conservative underwriting norms which have supported the asset quality. Going forward, the group's ability to control its asset quality with further scale up in loan book would remain a key rating monitorable.

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<sup>2</sup>Net of sub-brokerage commission; group financials refer to the consolidated financials of JM Financial Limited, which is the holding company of the JM financial group

<sup>3</sup>Return on average net worth

## Credit weaknesses

**Given the increasing prominence of the credit business particularly wholesale lending, ability to maintain ALM remains critical** - ICRA has taken note of the elongation in the group's debt maturity profile over the past three years, with the share of long term debt in the total borrowings increasing from 12% as of March 2015 to 66% as of March 31, 2018. Given the rising prominence of the lending business, the group's ability to manage its asset and liability profile would remain critical. ICRA takes comfort from the group's adequate liquid assets of JM Financial group and ability of the group to raise funds from the market when required as demonstrated in the past.

**High concentration risk on account of the high exposure to inherently riskier segments** - As on March 31, 2018, real estate financing, corporate funding, capital markets and SME lending accounted for 63%, 18%, 16% and 3% of the loan book respectively. JM Financial group has recently made a foray into lending to the small and medium enterprises (SME) segment and has started its housing finance business; which on achievement of a sizeable scale should help in diversifying the loan mix. The group's exposure to risky segments viz. real estate lending and promoter funding account for sizable portion of the lending book. ICRA also takes note of the inherent riskiness of real estate lending and promoter funding segments. However, the group's conservative credit underwriting norms, coupled with comfortable asset quality indicators, provide comfort.

**Analytical approach:** While assigning the ratings, ICRA has taken a consolidated view of the JM Financial group given the high operational and managerial linkages between the group companies and the shared brand name.

### Links to applicable criteria:

[ICRA's Credit Rating Methodology for Non-Banking Finance Companies](#)

[ICRA Policy on Withdrawal and Suspension of Credit Rating](#)

## About the company

### JM Financial Group

JM Financial group has interests in investment banking, retail and institutional equity broking, wealth management, investment advisory services, portfolio management, asset management, commodity broking, securities-based lending, corporate lending, commercial real estate lending, private equity, and asset reconstruction. The group's clients include corporates, domestic and foreign financial institutions, high net worth individuals (HNIs), and retail investors. While each of these businesses is independent in itself, the companies in the group have integrated operations. JM Financial Limited (JMFL) is the holding company for the operating companies in the JM Financial group. The institutional equities division of JM Financial Institutional Securities Limited (JMFISL) got demerged into a subsidiary of JM Financial Services Limited (which in turn is a subsidiary of JM Financial Limited) by way of a scheme of arrangement. The residual business of JMFISL (which includes investment banking business) and JM Financial Investment Managers Limited (wholly owned subsidiary of JMFL engaged in the business of private equity fund management) got merged into JMFL by way of a scheme of amalgamation.

During FY2018, JMFL reported a consolidated net profit<sup>4</sup> of Rs. 631 crore on a total income<sup>2</sup> of Rs. 3,131 crore as compared with a consolidated net profit<sup>4</sup> of Rs. 470 crore on a total income<sup>2</sup> of Rs. 2,267 crore during FY2017.

## Key Financial Indicators of JMFL (consolidated)

	FY2017	FY2018
Total Income <sup>2</sup>	2,267	3,131
Profit after tax (PAT <sup>4</sup> )	470	631
Tangible Net worth	3,227	4,349
Minority Interest	1,109	1,371
Total Loan Book	11,343	14,772
Total Tangible Assets <sup>5</sup>	16,453	21,487
Return on average assets	4.7%	4.6%
PAT/ Average Net worth (ROE)	15.6%	16.7%
Gearing (times)	2.5	2.6

Source: JM Financial Limited and ICRA Research; Amounts in Rs. crore; All ratios are as per ICRA calculations

### JM Financial Credit Solutions Limited

JM Financial Credit Solutions Limited (JMFCSL) is a non-deposit accepting systemically important non-banking finance company (NBFC ND-SI) registered with the Reserve Bank of India (RBI). The company was jointly promoted by the JM Financial Group, a leading diversified financial services provider in the country, and INH Mauritius 1 Fund (INH Global), a global fund led by Mr. Vikram Pandit, ex-CEO of Citigroup. JM Financial Limited (JMFL, rated [ICRA]AA (stable)), the holding company of the JM Financial Group, holds 50.01% equity stake in the company (as on December 31, 2017), while the balance is held by the INH Mauritius 1 Fund and other. The company is engaged in wholesale lending, largely catering to the real estate sector, and had a loan book of Rs. 7,339 crore as on March 31, 2018 (vis-a-vis Rs. 5,658 crore as on March 31, 2017). For the financial year ending March 31, 2018, JMFCSL reported a net profit of Rs. 328 crore on a total income of Rs. 960 crore as compared to a net profit of Rs. 277 crore on a total income of Rs. 788 crore for the financial year ending March 31, 2017.

## Status of non-cooperation with previous CRA: Not applicable

## Any other information: None

<sup>4</sup> Including share in profit of associates and net of minority interest

<sup>5</sup> Net of goodwill on consolidation

## Rating history for last three years:

Current Rating (FY2019)			Chronology of Rating History for the past 3 years											
Instrument	Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	FY2019			FY2018			FY2017			FY2016	
				May-18	Apr-18	Feb-18	Oct-17	Apr-17	Jan-17	Apr-16	Dec-15	Sep-15		
1	Non-Convertible Long Term Debentures	3,000.00	1,882.30	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	
2	Long Term Market Linked Debentures (Principal Protected)	300.00	0.00	MLD[ICRA]AA (stable)	PP- MLD[ICRA]AA (stable)	PP- MLD[ICRA]AA (stable)	PP- MLD[ICRA]AA (stable)	PP- MLD[ICRA]AA (stable)	-	-	-	-		
3	Term Loan	2,760	2,760	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)		
4	Cash Credit	185.00	NA	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)		
5	WCDL	10.00	NA	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)		
6	Unallocated	545.00	NA	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)	[ICRA]AA (stable)		
7	Commercial paper programme	2,000.00	NA	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+	[ICRA]A1+		
8	Non-Convertible Debenture	2,000.00	0.00	[ICRA]AA (stable)	[ICRA]AA (stable)	-	-	-	-	-	-	-		

## 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](http://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
INE651J07028	Non-convertible debenture	28-Apr-15	10.29%	11-Jun-18	100	[ICRA]AA (stable)
INE651J07036	Non-convertible debenture	29-Apr-15	10.17%	11-Sep-17	75	[ICRA]AA (stable)
INE651J07044	Non-convertible debenture	06-May-15	10.17%	06-Sep-17	100	[ICRA]AA (stable)
INE651J07051	Non-convertible debenture	11-May-15	9.98%	16-Jun-17	75	[ICRA]AA (stable)
INE651J07101	Non-convertible debenture	09-Feb-16	9.70%	09-Aug-21	15	[ICRA]AA (stable)
INE651J07101	Non-convertible debenture	09-Feb-16	9.70%	09-Aug-21	5	[ICRA]AA (stable)
INE651J07119	Non-convertible debenture	26-Feb-16	9.70%	26-Aug-21	10	[ICRA]AA (stable)
INE651J07192	Non-convertible debenture	06-May-16	9.50%	06-May-21	5	[ICRA]AA (stable)
INE651J07200	Non-convertible debenture	24-May-16	9.50%	24-May-21	1	[ICRA]AA (stable)
INE651J07200	Non-convertible debenture	24-May-16	9.50%	24-May-21	1	[ICRA]AA (stable)
INE651J07200	Non-convertible debenture	24-May-16	9.50%	24-May-21	8	[ICRA]AA (stable)
INE651J07218	Non-convertible debenture	31-May-16	9.50%	31-May-21	10	[ICRA]AA (stable)
INE651J07291	Non-convertible debenture	30-Aug-16	9.70%	30-Aug-19	100	[ICRA]AA (stable)
INE651J07309	Non-convertible debenture	30-Aug-16	9.69%	30-Sep-19	100	[ICRA]AA (stable)
INE651J07317	Non-convertible debenture	06-Sep-16	0.00%	06-Aug-19	11	[ICRA]AA (stable)
INE651J07325	Non-convertible debenture	06-Sep-16	0.00%	27-Aug-19	5.7	[ICRA]AA (stable)
INE651J07333	Non-convertible debenture	14-Oct-16	0.00%	12-Sep-19	6.5	[ICRA]AA (stable)
INE651J07341	Non-convertible debenture	14-Oct-16	0.00%	24-Sep-19	10.5	[ICRA]AA (stable)
INE651J07358	Non-convertible debenture	14-Oct-16	0.00%	08-Oct-19	5	[ICRA]AA (stable)
INE651J07366	Non-convertible debenture	14-Oct-16	0.00%	29-Oct-19	3	[ICRA]AA (stable)
INE651J07374	Non-convertible debenture	23-Jan-17	0.00%	07-Apr-20	4.6	[ICRA]AA (stable)
INE651J07382	Non-convertible debenture	27-Feb-17	0.00%	01-Jul-20	5.7	[ICRA]AA (stable)
INE651J07390	Non-convertible debenture	06-Mar-17	0.00%	04-May-20	3.7	[ICRA]AA (stable)
INE651J07432	Non-convertible debenture	23-Mar-17	0.00%	06-May-20	2	[ICRA]AA (stable)
INE651J07424	Non-convertible debenture	23-Mar-17	0.00%	23-Mar-20	50	[ICRA]AA (stable)
INE651J07416	Non-convertible debenture	23-Mar-17	9.00%	23-Mar-22	10	[ICRA]AA (stable)
INE651J07408	Non-convertible debenture	23-Mar-17	9.25%	23-Mar-20	50	[ICRA]AA (stable)
INE651J07440	Non-convertible debenture	29-Mar-17	9.20%	25-Mar-22	70	[ICRA]AA (stable)
INE651J07465	Non-convertible debenture	15-Jun-17	9.05%	15-Jun-21	175	[ICRA]AA (stable)
INE651J07473	Non-convertible debenture	22-Jun-17	9.05%	22-Jun-20	30	[ICRA]AA (stable)
INE651J07481	Non-convertible debenture	12-Sep-17	8.75%	12-Sep-19	75	[ICRA]AA (stable)
INE651J07481	Non-convertible debenture	12-Sep-17	8.75%	12-Sep-19	50	[ICRA]AA (stable)
INE651J07499	Non-convertible debenture	12-Sep-17	0.00%	15-Sep-20	25	[ICRA]AA (stable)
INE651J07507	Non-convertible debenture	28-Dec-17	9.15%	28-Dec-20	50	[ICRA]AA (stable)
INE651J07507	Non-convertible debenture	22-Jan-18	9.15%	28-Dec-20	17.9	[ICRA]AA (stable)
INE651J07531	Non-convertible debenture	12-Mar-18	0.00%	04-May-21	13.5	[ICRA]AA (stable)
INE651J07515	Non-convertible debenture	12-Mar-18	0.00%	10-Sep-21	50	[ICRA]AA (stable)
INE651J07523	Non-convertible debenture	12-Mar-18	0.00%	10-Dec-21	20	[ICRA]AA (stable)



ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE651J07549	Non-convertible debenture	22-Mar-18	9.30%	06-Mar-20	100	[ICRA]AA (stable)
INE651J07549	Non-convertible debenture	22-Mar-18	9.30%	06-Mar-20	25	[ICRA]AA (stable)
INE651J07556	Non-convertible debenture	22-Mar-18	0.00%	15-Jun-21	100	[ICRA]AA (stable)
INE651J07564	Non-convertible debenture	22-Mar-18	9.31%	23-Mar-20	200	[ICRA]AA (stable)
INE651J07572	Non-convertible debenture	23-Mar-18	9.36%	23-Mar-21	40	[ICRA]AA (stable)
INE651J07556	Non-convertible debenture	23-Mar-18	0.00%	15-Jun-21	14.9	[ICRA]AA (stable)
INE651J07556	Non-convertible debenture	26-Mar-18	0.00%	15-Jun-21	5.1	[ICRA]AA (stable)
INE651J07572	Non-convertible debenture	26-Mar-18	9.36%	23-Mar-21	2.8	[ICRA]AA (stable)
INE651J07531	Non-convertible debenture	28-Mar-18	0.00%	04-May-21	45.4	[ICRA]AA (stable)
NA	Non-convertible debenture*	-	-	-	1,117.70	[ICRA]AA (stable)
NA	Long term market linked debentures (Principal Protected) *	-	-	-	300	PP-MLD[ICRA]AA (stable)
NA	Term Loans	2015-18	-	2018-22	2,760.00	[ICRA]AA (stable)
NA	Cash Credit	2015-16	-	-	185.00	[ICRA]AA (stable)
NA	WCDL	2016-17	-	-	10.00	[ICRA]AA (stable)
NA	Unallocated	-	-	-	545.00	[ICRA]AA (stable)
NA	Commercial Paper programme	-	-	7-365 days	2,000.00	[ICRA]A1+
NA	Non-convertible debenture programme*	-	-	-	2,000.00	[ICRA]AA (stable)

\*Proposed

Source: JM Financial Credit Solutions Limited

## ANALYST CONTACTS

**Karthik Srinivasan**

+91 22 61143444  
karthiks@icraindia.com

**Prateek Mittal**

+91 22 61143425  
prateek.mittal@icraindia.com

**Samriddhi Chowdhary**

+91 22 61143462  
samriddhi.chowdhary@icraindia.com

**Amlan Jyoti Badu**

+91 22 61143413  
amlan.badu@icraindia.com

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91 22 6114 3406  
shivakumar@icraindia.com

## MEDIA AND PUBLIC RELATIONS CONTACT

**Naznin Prodhani**

Tel: +91 124 4545 860  
naznin.prodhani@icraindia.com

## Helpline for business queries:

+91-124-3341580 (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.

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## 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](mailto:info@icraindia.com)

Website: [www.icra.in](http://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) 2552 0194/95/96

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Mr. Shashwat Belapurkar  
Chief Executive Officer  
JM Financial Credit Solutions Limited,  
7<sup>th</sup> Floor, Cnergy,  
Appasaheb Marathe Marg,  
Prabhadevi, Mumbai 400 025

November 1, 2018

Dear Sir,

**Re: Rating of JM Financial Credit Solutions Limited's (JMFCS) debt instrument**

India Ratings (see definition below) communicates the following rating of JMFCS:-

INR20billion Public issue of Non-convertible debentures (Secured & Unsecured NCD): 'IND AA/Stable'

Out of the above rated amount INR7.5bn is outstanding.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction.

The manner of India Ratings' factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

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website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please contact us at +91-022-4000-1700.

Sincerely,  
India Ratings



Rakesh Valecha  
Senior Director



Prakash Agarwal  
Director

# India Ratings Assigns JM Financial Credit Solutions' Additional NCDs 'IND AA'/Stable

27

By [Jinay Gala](#)

APR 2018

India Ratings and Research (Ind-Ra) has rated JM Financial Credit Solutions Limited's (JMFCs) additional non-convertible debentures (NCDs) as follows:

Instrument Type	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (billion)	Rating/Outlook	Rating Action
NCDs*	-	-	-	INR20	IND AA/Stable	Assigned

\* Details are provided in annexure.

JMFCs is a venture between JM Financial Limited (JMFL; 50.01% stake) and INH Mauritius & others (49.99%). INH Mauritius is a fund, led by Mr Vikram Pandit and associates and backed by large global investors. The company will maintain the brand name of JM Financial, and JMFL plans to maintain the majority shareholding and management control in JMFCs.

## KEY RATING DRIVERS

**Subsidiary Importance Increasing:** Ind-Ra has taken a consolidated view of JMFL to arrive at the rating, factoring in the credit strength of the lending subsidiaries and expectations of timely support from JM Financial group. The rating also factors in an increasing importance of the lending subsidiaries, based on their share in equity capital allocation, by JMFL and contribution towards group-level profitability. JM Financial group, a diversified financial services firm, has a conservative leverage policy and maintains liquidity in the form of unencumbered liquid assets on its balance sheet, in addition to unutilised cash credit lines. This can support the refinancing needs of JMFCs in the event of a short period liquidity squeeze in the system. Furthermore, a recent capital-raising activity would help JMFCs in improving balance sheet liquidity and support the growth of the lending business.

Apart from the wholesale lending business, which is the largest segment of the group in terms of equity and profits, the group has a large established franchise in the non-lending business (23% of profit before tax in 9MFY18), enabling a steady source of fee income. JMFCs will incrementally drive the lending business of the group and is, thus, strategically important for the group. The lending business accounts for about 70% of group revenue and 77% of consolidated profit before tax (9MFY18) and is, thus, an important growth driver.

To read a detailed rating rationale, please [click here](#).

## RATING SENSITIVITIES

**Positive:** Improvement in JMFL's credit profile while maintaining the importance of the lending business, along with portfolio seasoning and less concentrated portfolio while maintaining strength in capital market-related businesses, could result in a positive rating action.

**Negative:** Any weakness in JMFL's credit profile, which, among other factors, could result from dilution of the capital buffers or from inadequate liquidity buffers, could result in a negative rating action. JMFCs' sustained weak operating performance, leading to reduced importance of this business to JMFL, or JMFL's shareholding falling below the majority could result in a negative rating action.

## COMPANY PROFILE

JMFCs is a systemically important non-banking finance company, offering mostly long-term wholesale funding in the real estate financing space. During FY15, JMFL and INH Mauritius jointly infused INR9.0 billion equity capital in JMFCs to start the joint venture.

## FINANCIAL SUMMARY

Particulars	FY17	FY16
Total assets (INR billion)	56.9	42.06
Total equity (INR billion)	14.1	11.4
Net profit (INR billion)	2.77	1.98
Return on average assets (%)	5.6	6.5
Equity/assets (%)	24.8	27.0
Tier 1 capital (%)	24.5	26.8
Gross NPA (%)	NA	NA
Source: JMFSCCL		

## RATING HISTORY

Instrument Type	Current Rating/Outlook			Historical Rating/Outlook		
	Rating Type	Rated Limits (billion)	Rating	9 March 2018	29 December 2016	28 July 2015
Bank loans	Long-term	INR35	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable
NCDs	Long-term	INR50	IND AA/Stable	IND AA/Stable	IND AA/Stable	IND AA/Stable
Commercial paper	Short-term	INR20	IND A1+	IND A1+	IND A1+	IND A1+

## ANNEXURE

Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of Issue (INR billion)	Rating/Outlook
NCDs	INE651J07069	31 July 2015	10.26	31 July 2018	3	IND AA/Stable
NCDs	INE651J07093	5 February 2016	Zero Coupon	1 February 2019	0.03	IND AA/Stable
NCDs	INE651J07101	9 February 2016	9.70	9 August 2021	0.2	IND AA/Stable
NCDs	INE651J07119	26 February 2016	9.70	26 August 2021	0.1	IND AA/Stable
NCDs	INE651J07127	1 March 2016	Zero Coupon	3 April 2019	0.04	IND AA/Stable
NCDs	INE651J07135	16 March 2016	Zero Coupon	15 April 2019	0.1	IND AA/Stable
NCDs	INE651J07143	22 March 2016	Zero Coupon	22 April 2019	0.04	IND AA/Stable
NCDs	INE651J07168	30 March 2016	10.50	5 June 2019	0.5	IND AA/Stable
NCDs	INE651J07176	11 April 2016	Zero Coupon	22 April 2019	0.05	IND AA/Stable
NCDs	INE651J07184	29 April 2016	Zero Coupon	25 April 2019	0.08	IND AA/Stable
NCDs	INE651J07192	6 May 2016	9.50	6 May 2021	0.05	IND AA/Stable
NCDs	INE651J07200	24 May 2016	9.50	24 May 2021	0.1	IND AA/Stable
NCDs	INE651J07218	31 May 2016	9.50	31 May 2021	0.1	IND AA/Stable
NCDs	INE651J07226	16 June 2016	Zero Coupon	14 May 2019	0.06	IND AA/Stable
NCDs	INE651J07234	16 June 2016	Zero Coupon	28 May 2019	0.07	IND AA/Stable
NCDs	INE651J07242	16 June 2016	Zero Coupon	18 June 2019	0.05	IND AA/Stable
NCDs	INE651J07259	15 July 2016	9.73	13 June 2018	0.4	IND AA/Stable
NCDs	INE651J07267	15 July 2016	9.77	11 June 2019	0.1	IND AA/Stable
NCDs	INE651J07275	15 July 2016	9.78	15 July 2019	0.08	IND AA/Stable
NCDs	INE651J07283	15 July 2016	Zero Coupon	2 July 2019	0.03	IND AA/Stable
NCDs	INE651J07291	30 August 2016	9.70	30 August 2019	1	IND AA/Stable
NCDs	INE651J07309	30 August 2016	9.69	30 September 2019	1	IND AA/Stable
NCDs	INE651J07317	6 September 2016	Zero Coupon	6 August 2019	0.11	IND AA/Stable
NCDs	INE651J07325	6 September 2016	Zero Coupon	27 August 2019	0.06	IND AA/Stable
NCDs	INE651J07333	14 October 2016	Zero Coupon	12 September 2019	0.07	IND AA/Stable



NCDs	INE651J07341	14 October 2016	Zero Coupon	24 September 2019	0.11	IND AA/Stable
NCDs	INE651J07358	14 October 2016	Zero Coupon	8 October 2019	0.05	IND AA/Stable
NCDs	INE651J07366	14 October 2016	Zero Coupon	29 October 2019	0.03	IND AA/Stable
NCDs	INE651J07374	23 January 2017	Zero Coupon	7 April 2020	0.05	IND AA/Stable
NCDs	INE651J07382	27 February 2017	Zero Coupon	1 July 2020	0.06	IND AA/Stable
NCDs	INE651J07390	6 March 2017	Zero Coupon	4 May 2020	0.04	IND AA/Stable
NCDs	INE651J07432	23 March 2017	Zero Coupon	6 May 2020	0.02	IND AA/Stable
NCDs	INE651J07424	23 March 2017	Zero Coupon	23 March 2020	0.5	IND AA/Stable
NCDs	INE651J07416	23 March 2017	9.00	23 March 2022	0.1	IND AA/Stable
NCDs	INE651J07408	23 March 2017	9.25	23 March 2020	0.5	IND AA/Stable
NCDs	INE651J07440	29 March 2017	9.20	25 March 2022	0.7	IND AA/Stable
NCDs	INE651J07457	2 June 2017	Zero Coupon	5 June 2020	0.5	IND AA/Stable
NCDs	INE651J07465	15 June 2017	9.05	15 June 2021	1.75	IND AA/Stable
NCDs	INE651J07473	22 June 2017	9.05	22 June 2020	0.3	IND AA/Stable
NCDs	INE651J07481	12 September 2017	8.75	12 September 2019	1.25	IND AA/Stable
NCDs	INE651J07499	12 September 2017	Zero Coupon	15 September 2020	0.25	IND AA/Stable
NCDs	INE651J07507	28 December 2017	9.15	28 December 2020	0.5	IND AA/Stable
NCDs	INE651J07507	22 January 2018	9.15	28 December 2020	0.18	IND AA/Stable
NCDs	INE651J07531	12 March 2018	Zero Coupon	4 May 2021	0.14	IND AA/Stable
NCDs	INE651J07515	12 March 2018	Zero Coupon	10 September 2021	0.5	IND AA/Stable
NCDs	INE651J07523	12 March 2018	Zero Coupon	10 December 2021	0.2	IND AA/Stable
NCDs	INE651J07549	22 March 2018	9.30	6 March 2020	1	IND AA/Stable
NCDs	INE651J07549	22 March 2018	9.30	6 March 2020	0.25	IND AA/Stable
NCDs	INE651J07556	22 March 2018	Zero Coupon	15 June 2021	1	IND AA/Stable
NCDs	INE651J07564	22 March 2018	9.31	23 March 2020	2	IND AA/Stable
NCDs	INE651J07572	23 March 2018	9.36	23 March 2021	0.4	IND AA/Stable
NCDs	INE651J07556	23 March 2018	Zero Coupon	15 June 2021	0.15	IND AA/Stable
NCDs	INE651J07556	26 March 2018	Zero Coupon	15 June 2021	0.05	IND AA/Stable
NCDs	INE651J07572	26 March 2018	9.36	23 March 2021	0.03	IND AA/Stable
NCDs	INE651J07531	28 March 2018	Zero Coupon	4 May 2021	0.45	IND AA/Stable
	Total used limit				20.44	
	Unutilised limit				29.56	
	Total limit				50	

## COMPLEXITY LEVEL OF INSTRUMENTS

For details on complexity levels of the instruments please visit <https://www.indiaratings.co.in/complexity-indicators>.

## SOLICITATION DISCLOSURES

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## Applicable Criteria

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[Financial Institutions Rating Criteria](#)

[Non-Bank Finance Companies Criteria](#)

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## Analyst Names

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[Primary Analyst](#)

**Jinay Gala**

Senior Analyst

India Ratings and Research Pvt Ltd Wockhardt Towers, 4th floor, West Wing Plot C-2, G Block. Bandra Kurla Complex Bandra (East), Mumbai 400051

+91 22 40356138

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[Secondary Analyst](#)

**Pankaj Naik**

Associate Director

+91 22 40001723

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[Committee Chairperson](#)

**Prakash Agarwal**

Director and Head Financial Institutions

+91 22 40001753

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[Media Relation](#)

**Namita Sharma**

Manager – Corporate Communication

+91 22 40356121 >

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**IDBI Trusteeship Services Ltd**

CIN : U65991MH2001GOI131154



Ref No.: 7506/ITSL/OPR/18-19/DEB/54/2  
Date: November 09, 2018

**JM Financial Credit Solutions Limited**

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

Dear Sirs,

**Re: Proposed Public Issue by JM Financial Credit Solutions Limited ("Company") of Secured, Redeemable, Non-Convertible Debentures of face value of Rs. 1,000 each aggregating upto Rs. 12,500 million ("NCDs") through Tranche II Prospectus within the shelf limit of Rs. 20,000 million ("Issue").**

We, IDBI Trusteeship Services Limited, hereby give our consent to our name being included as Debenture Trustee to the Tranche II issue in accordance with Regulation 4(4) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 in the Tranche II Prospectus to be filed with the Registrar of Companies, Maharashtra at Mumbai ("RoC") and with the stock exchange(s) where the NCDs are proposed to be listed ("Stock Exchanges") and forwarded to the Securities and Exchange Board of India ("SEBI") for its records in respect of the Issue and all related advertisements, and subsequent periodical communications sent to the holders of the NCDs pursuant to the Issue.

We hereby authorise you to deliver this letter of consent to the Stock Exchange(s), the RoC and/or such other regulatory authority, as may be required by law.

The following details with respect to us may be disclosed:

Name :	IDBI Trusteeship Services Limited
Address:	IDBI Trusteeship Services Limited, Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001
Tel:	(91) (22) 40807000
Fax:	66311776/40807080
Email:	itsl@idbitrustee.com
Website:	www.idbitrustee.com
Contact Person:	Ms. Swapnali Hirlekar
Investor Grievance e-mail:	response@idbitrustee.com
SEBI Registration No:	IND000000460

We confirm that we have not been prohibited from SEBI to act as an intermediary in capital market issues. We confirm that we are registered with the SEBI and that such registration is valid as on date of this letter. We further confirm that no enquiry/investigation is being conducted by SEBI on us. Copy of our SEBI registration certificate and declaration regarding our registration with SEBI in the required format is attached as Annexure A.

We shall immediately intimate the Lead Managers and Issuer of any changes, additions or deletions in respect of the aforesaid details till the date when the NCDs of the Issuer offered, issued and allotted pursuant to the Issue, are traded on the Stock Exchanges. In absence of any such communication from us, the above information should be taken as updated information until the listing and commencement of trading of the NCDs on the Stock Exchanges.



We also agree to keep strictly confidential, until such time the proposed Issue is publicly announced by the Company in the form of a press release, (i) the nature and scope of the Issue; and (ii) our knowledge of the Issue of the Company.

Yours faithfully,

**For IDBI Trusteeship Services Limited**

  
**Authorised Signatory**  
**Name: Ms.Swapnali Hirlekar**  
**Designation: Vice President**



डिबेंचर न्यासी

फॉर्म B  
FORM-B

DEBENTURE TRUSTEE

भारतीय प्रतिभूति और विनियम बोर्ड  
SECURITIES AND EXCHANGE BOARD OF INDIA

(डिबेंचर न्यासी) विनियम, 1993

(DEBENTURE TRUSTEE) REGULATIONS, 1993

000 26 3

(विनियम 8)

(Regulation 8)

रजिस्ट्रीकरण प्रमाणपत्र  
CERTIFICATE OF REGISTRATION

- 1) बोर्ड, भारतीय प्रतिभूति और विनियम बोर्ड अधिनियम, 1992 के अधीन डिबेंचर न्यासी के लिए बनाए गए नियमों और विनियमों के साथ पठित उस अधिनियम की धारा-12 की उपधारा (1) द्वारा प्रदत्त शक्तियों का प्रयोग करते हुए,
- 1) In exercise of the powers conferred by sub-section (1) of section 12 of the Securities and Exchange Board of India Act, 1992, read with the rules and regulations made thereunder for the debenture trustee the Board hereby grants a certificate of registration to

**IDBI TRUSTEESHIP SERVICES LIMITED  
ASIAN BUILDING, GROUND FLOOR  
17, R. KAMANI MARG  
BALLARD ESTATE  
MUMBAI-400 001**

को नियमों में, शर्तों के अधीन रहते हुए और विनियमों के अनुसार डिबेंचर न्यासी के रूप में रजिस्ट्रीकरण का प्रमाणपत्र इसके द्वारा प्रदान करता है।  
as a debenture trustee subject to the conditions in the rules and in accordance with the regulations.

- 2) डिबेंचर न्यासी के लिए रजिस्ट्रीकरण कूट  
2) Registration Code for the debenture trustee is

IND000000460

- 3) जब तक नवीकृत न किया जाए, रजिस्ट्रीकरण का प्रमाणपत्र  
3) Unless renewed, the certificate of registration is valid from

तक विधिमान्य है।  
This certificate of registration shall be valid unless  
it is suspended or cancelled by the board

स्थान Place : **MUMBAI**

तारीख Date : **FEBRUARY14, 2017**



आदेश से  
भारतीय प्रतिभूति और विनियम बोर्ड  
के लिए और उसकी ओर से  
By order  
For and on behalf of  
Securities and Exchange Board of India

*M. J. Sanparote*  
**MEDHASONPAROTE**

प्राधिकृत हस्ताक्षरकर्ता Authorised Signatory



## Annexure A

Date: November 09, 2018

**JM Financial Credit Solutions Limited**

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

Dear Sir/ Madam,

**Sub: Proposed Public Issue by JM Financial Credit Solutions Limited ("Company") of Secured, Redeemable, Non-Convertible Debentures of face value of Rs. 1,000 each aggregating upto Rs. 12,500 million ("NCDs") through Tranche II Prospectus within the shelf limit of Rs. 20,000 million ("Issue").**

We hereby confirm that as on date the following details in relation to our registration with the Securities and Exchange Board of India as "Trustee" to the Issue, is true and correct:

S. No.	Particulars	Details
1.	Registration Number	IND000000460
2.	Date of registration/ date of last renewal of registration/ date of application for renewal of registration	February 14, 2017
3.	Date of expiry of registration	<i>The Certificate of registration shall be valid unless it is suspended or cancelled by the Board</i>
4.	Details of any communication from SEBI prohibiting from acting as an intermediary	NIL
5.	Details of any pending inquiry/ investigation being conducted by SEBI	NIL
6.	Details of any penalty imposed by SEBI	NIL

Sincerely,

For IDBI Trusteeship Services Limited

  
Authorised Signatory

Name: Swapnali Hirlekar

Designation: Vice President



## ANNEXURE D | CASH FLOWS FOR VARIOUS OPTIONS / SERIES

### Option I

Company	JM Financial Credit Solutions Ltd.
Face Value (per Security)	1000.00
Issue Open Date	November 20, 2018
Redemption Date	June 28, 2022
Tenor from Deemed Date of allotment	42 months
Coupon Rate for all Category of Investors	10.00%
Frequency of the interest payment with specified dates	First interest on December 28, 2019 and subsequently on the December 28th every year and the last interest payment will be made at the time of redemption of the NCDs on a pro rata basis (if applicable).
Day count convention	Actual/actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (in Rs.) payable per NCD - All category of New Investors
1st Coupon	Saturday, Dec 28, 2019	Saturday, Dec 28, 2019	365	100.00
2nd Coupon	Monday, Dec 28, 2020	Monday, Dec 28, 2020	366	100.00
3rd Coupon	Tuesday, Dec 28, 2021	Tuesday, Dec 28, 2021	365	100.00
4th Coupon	Tuesday, Jun 28, 2022	Tuesday, Jun 28, 2022	182	49.86
Principal/Maturity value	Tuesday, Jun 28, 2022	Tuesday, Jun 28, 2022		1000.00
<b>Total</b>			1278	1349.86
<b>Effective Yield :</b>				10.02%

### Option II

Company	JM Financial Credit Solutions Ltd.
Face Value (per Security)	1000.00
Issue Open Date	November 20, 2018
Redemption Date	June 28, 2022
Tenor from Deemed Date of allotment	42 months
Coupon Rate for all Category of Investors	NA
Frequency of the interest payment with specified dates	NA
Day count convention	Actual/actual

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (in Rs.) payable per NCD - All category of New Investors
Principal/Maturity value	Tuesday, Jun 28, 2022	Tuesday, Jun 28, 2022	1278	1396.15
<b>Total</b>				
<b>Effective Yield :</b>				10.00%

### Option III

Company	JM Financial Credit Solutions Ltd.
Face Value (per Security)	1000.00
Issue Open Date	November 20, 2018
Redemption Date	December 28, 2023
Tenor from Deemed Date of allotment	60 months
Coupon Rate for all Category of New Investors	10.10%
Coupon Rate for all Category of Investors meeting the additional incentive eligibility criteria	10.25%
Frequency of the interest payment with specified dates	First interest on December 28, 2019 and subsequently on the December 28th every year and the last interest payment will be made at the time of redemption of the NCDs on a pro rata basis (if applicable).

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (in Rs.) payable per NCD - All category of New Investors	Amount (in Rs.) payable per NCD - All category of Existing Investors
1st Coupon	Saturday, Dec 28, 2019	Saturday, Dec 28, 2019	365	101.00	102.50
2nd Coupon	Monday, Dec 28, 2020	Monday, Dec 28, 2020	366	101.00	102.50
3rd Coupon	Tuesday, Dec 28, 2021	Tuesday, Dec 28, 2021	365	101.00	102.50
4th Coupon	Wednesday, Dec 28, 2022	Wednesday, Dec 28, 2022	365	101.00	102.50
5th Coupon	Thursday, Dec 28, 2023	Thursday, Dec 28, 2023	365	101.00	102.50

Principal/Maturity value	Thursday, Dec 28, 2023	Thursday, Dec 28, 2023	1000.00	1000.00
<b>Total</b>			1826	1512.50
<b>Effective Yield :</b>			10.09%	10.24%

#### Option IV

Company	JM Financial Credit Solutions Limited
Face value (per security)	1000.00
Issue Date	November 20, 2018
Redemption	December 28, 2023
Tenor from Deemed Date of allotment	60 months
Coupon Rate for all Category of New Investors	9.67%
Coupon Rate for all Category of Investors meeting the additional incentive eligibility criteria	9.82%
Frequency of the interest payment with specified dates	First interest on February 01, 2019 and subsequently on the 1st day of every month. Last interest payment will be made on date of redemption of NCD on pro rata basis (if applicable).

Cash flows	Due date	Date of payment	No. of days in coupon period	Amount (in Rs.) payable per NCD - All category of New Investors	Amount (in Rs.) payable per NCD - All category of Existing Investors
1st Coupon	Friday, Feb 01 2019	Friday, Feb 01 2019	35	9.27	9.42
2nd coupon	Friday, Mar 01 2019	Friday, Mar 01 2019	28	7.42	7.53
3rd Coupon	Monday, Apr 01 2019	Tuesday, Apr 02 2019	31	8.21	8.34
4th Coupon	Wednesday, May 01 2019	Thursday, May 02 2019	30	7.95	8.07
5th Coupon	Saturday, Jun 01 2019	Saturday, Jun 01 2019	31	8.21	8.34
6th Coupon	Monday, Jul 01 2019	Monday, Jul 01 2019	30	7.95	8.07
7th Coupon	Thursday, Aug 01 2019	Thursday, Aug 01 2019	31	8.21	8.34
8th Coupon	Sunday, Sep 01 2019	Monday, Sep 02 2019	31	8.21	8.34
9th Coupon	Tuesday, Oct 01 2019	Tuesday, Oct 01 2019	30	7.95	8.07
10th Coupon	Friday, Nov 01 2019	Friday, Nov 01 2019	31	8.21	8.34
11th Coupon	Sunday, Dec 01 2019	Monday, Dec 02 2019	30	7.95	8.07
12th Coupon	Wednesday, Jan 01 2020	Wednesday, Jan 01 2020	31	8.19	8.32
13th Coupon	Saturday, Feb 01 2020	Saturday, Feb 01 2020	31	8.19	8.32
14th Coupon	Sunday, Mar 01 2020	Monday, Mar 02 2020	29	7.66	7.78
15th Coupon	Wednesday, Apr 01 2020	Thursday, Apr 02 2020	31	8.19	8.32
16th Coupon	Friday, May 01 2020	Saturday, May 02 2020	30	7.93	8.05
17th Coupon	Monday, Jun 01 2020	Monday, Jun 01 2020	31	8.19	8.32
18th Coupon	Wednesday, Jul 01 2020	Wednesday, Jul 01 2020	30	7.93	8.05
19th Coupon	Saturday, Aug 01 2020	Saturday, Aug 01 2020	31	8.19	8.32
20th Coupon	Tuesday, Sep 01 2020	Tuesday, Sep 01 2020	31	8.19	8.32
21st Coupon	Thursday, Oct 01 2020	Thursday, Oct 01 2020	30	7.93	8.05
22nd Coupon	Sunday, Nov 01 2020	Monday, Nov 02 2020	31	8.19	8.32
23rd Coupon	Tuesday, Dec 01 2020	Tuesday, Dec 01 2020	30	7.93	8.05
24th Coupon	Friday, Jan 01 2021	Friday, Jan 01 2021	31	8.21	8.34
25th Coupon	Monday, Feb 01 2021	Monday, Feb 01 2021	31	8.21	8.34
26th Coupon	Monday, Mar 01 2021	Monday, Mar 01 2021	28	7.42	7.53
27th Coupon	Thursday, Apr 01 2021	Friday, Apr 02 2021	31	8.21	8.34
28th Coupon	Saturday, May 01 2021	Monday, May 03 2021	30	7.95	8.07
29th Coupon	Tuesday, Jun 01 2021	Tuesday, Jun 01 2021	31	8.21	8.34
30th Coupon	Thursday, Jul 01 2021	Thursday, Jul 01 2021	30	7.95	8.07
31st Coupon	Sunday, Aug 01 2021	Monday, Aug 02 2021	31	8.21	8.34
32nd Coupon	Wednesday, Sep 01 2021	Wednesday, Sep 01 2021	31	8.21	8.34
33rd Coupon	Friday, Oct 01 2021	Friday, Oct 01 2021	30	7.95	8.07
34th Coupon	Monday, Nov 01 2021	Monday, Nov 01 2021	31	8.21	8.34
35th Coupon	Wednesday, Dec 01 2021	Wednesday, Dec 01 2021	30	7.95	8.07
36th Coupon	Saturday, Jan 01 2022	Saturday, Jan 01 2022	31	8.21	8.34
37th Coupon	Tuesday, Feb 01 2022	Tuesday, Feb 01 2022	31	8.21	8.34
38th Coupon	Tuesday, Mar 01 2022	Tuesday, Mar 01 2022	28	7.42	7.53
39th Coupon	Friday, Apr 01 2022	Saturday, Apr 02 2022	31	8.21	8.34
40th Coupon	Sunday, May 01 2022	Monday, May 02 2022	30	7.95	8.07
41st Coupon	Wednesday, Jun 01 2022	Wednesday, Jun 01 2022	31	8.21	8.34
42nd Coupon	Friday, Jul 01 2022	Friday, Jul 01 2022	30	7.95	8.07
43rd Coupon	Monday, Aug 01 2022	Monday, Aug 01 2022	31	8.21	8.34
44th Coupon	Thursday, Sep 01 2022	Thursday, Sep 01 2022	31	8.21	8.34
45th Coupon	Saturday, Oct 01 2022	Saturday, Oct 01 2022	30	7.95	8.07
46th Coupon	Tuesday, Nov 01 2022	Tuesday, Nov 01 2022	31	8.21	8.34
47th Coupon	Thursday, Dec 01 2022	Thursday, Dec 01 2022	30	7.95	8.07
48th Coupon	Sunday, Jan 01 2023	Monday, Jan 02 2023	31	8.21	8.34

49th Coupon	Wednesday, Feb 01 2023	Wednesday, Feb 01 2023	31	8.21	8.34
50th Coupon	Wednesday, Mar 01 2023	Wednesday, Mar 01 2023	28	7.42	7.53
51st Coupon	Saturday, Apr 01 2023	Monday, Apr 03 2023	31	8.21	8.34
52nd Coupon	Monday, May 01 2023	Tuesday, May 02 2023	30	7.95	8.07
53rd Coupon	Thursday, Jun 01 2023	Thursday, Jun 01 2023	31	8.21	8.34
54th Coupon	Saturday, Jul 01 2023	Saturday, Jul 01 2023	30	7.95	8.07
55th Coupon	Tuesday, Aug 01 2023	Tuesday, Aug 01 2023	31	8.21	8.34
56th Coupon	Friday, Sep 01 2023	Friday, Sep 01 2023	31	8.21	8.34
57th Coupon	Sunday, Oct 01 2023	Tuesday, Oct 03 2023	30	7.95	8.07
58th Coupon	Wednesday, Nov 01 2023	Wednesday, Nov 01 2023	31	8.21	8.34
59th Coupon	Friday, Dec 01 2023	Friday, Dec 01 2023	30	7.95	8.07
60th Coupon	Thursday, Dec 28 2023	Thursday, Dec 28 2023	27	7.15	7.26
Principal / Maturity value	Thursday, Dec 28 2023	Thursday, Dec 28 2023		1,000.00	1,000.00
<b>Total</b>			<b>1,826</b>	<b>1,483.50</b>	<b>1,491.00</b>
			<b>Effective Yield :</b>	10.10%	10.27%

#### Option V

Company	JM Financial Credit Solutions Ltd.
Face Value (per Security)	1000.00
Issue Open Date	November 20, 2018
Redemption Date	December 28, 2028
Tenor from Deemed Date of allotment	120 months
Coupon Rate for all Category of New Investors	10.25%
Coupon Rate for all Category of Investors meeting the additional incentive eligibility criteria	10.40%
Frequency of the interest payment with specified dates	First interest on December 28, 2019 and subsequently on the December 28th every year and the last interest payment will be made at the time of redemption of the NCDs on a pro rata basis (if applicable).

Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (in Rs.) payable per NCD - All category of New Investors	Amount (in Rs.) payable per NCD - All category of Existing Investors
1st Coupon	Saturday, Dec 28, 2019	Saturday, Dec 28, 2019	365	102.50	104.00
2nd Coupon	Monday, Dec 28, 2020	Monday, Dec 28, 2020	366	102.50	104.00
3rd Coupon	Tuesday, Dec 28, 2021	Tuesday, Dec 28, 2021	365	102.50	104.00
4th Coupon	Wednesday, Dec 28, 2022	Wednesday, Dec 28, 2022	365	102.50	104.00
5th Coupon	Thursday, Dec 28, 2023	Thursday, Dec 28, 2023	365	102.50	104.00
6th Coupon	Saturday, Dec 28, 2024	Saturday, Dec 28, 2024	366	102.50	104.00
7th Coupon	Sunday, Dec 28, 2025	Monday, Dec 29, 2025	365	102.50	104.00
8th Coupon	Monday, Dec 28, 2026	Monday, Dec 28, 2026	365	102.50	104.00
9th Coupon	Tuesday, Dec 28, 2027	Tuesday, Dec 28, 2027	365	102.50	104.00
10th Coupon	Thursday, Dec 28, 2028	Thursday, Dec 28, 2028	366	102.50	104.00
Principal/Maturity value	Thursday, Dec 28, 2028	Thursday, Dec 28, 2028		1000.00	1000.00
<b>Total</b>			3653	2025.00	2040.00
			<b>Effective Yield :</b>	10.24%	10.39%

#### Option VI

Company	JM Financial Credit Solutions Ltd.
Face Value (per Security)	1000.00
Issue Open Date	November 20, 2018
Redemption Date	December 28, 2028
Tenor from Deemed Date of allotment	120 months
Coupon Rate for all Category of New Investors	9.81%
Coupon Rate for all Category of Investors meeting the additional incentive eligibility criteria	9.96%
Frequency of the interest payment with specified dates	First interest on February 01, 2019 and subsequently on the 1st day of every month. Last interest payment will be made on date of redemption of NCD on pro rata basis (if applicable).

Cash flows	Due date	Date of payment	No. of days in coupon period	Amount (in Rs.) payable per NCD - All category of	Amount (in Rs.) payable per NCD - All category of Existing Investors
------------	----------	-----------------	---------------------------------------	--	---



New Investors					
1st Coupon	Friday, Feb 01 2019	Friday, Feb 01 2019	35	9.41	9.55
2nd Coupon	Friday, Mar 01 2019	Friday, Mar 01 2019	28	7.53	7.64
3rd Coupon	Monday, Apr 01 2019	Tuesday, Apr 02 2019	31	8.33	8.46
4th Coupon	Wednesday, May 01 2019	Thursday, May 02 2019	30	8.06	8.19
5th Coupon	Saturday, Jun 01 2019	Saturday, Jun 01 2019	31	8.33	8.46
6th Coupon	Monday, Jul 01 2019	Monday, Jul 01 2019	30	8.06	8.19
7th Coupon	Thursday, Aug 01 2019	Thursday, Aug 01 2019	31	8.33	8.46
8th Coupon	Sunday, Sep 01 2019	Monday, Sep 02 2019	31	8.33	8.46
9th Coupon	Tuesday, Oct 01 2019	Tuesday, Oct 01 2019	30	8.06	8.19
10th Coupon	Friday, Nov 01 2019	Friday, Nov 01 2019	31	8.33	8.46
11th Coupon	Sunday, Dec 01 2019	Monday, Dec 02 2019	30	8.06	8.19
12th Coupon	Wednesday, Jan 01 2020	Wednesday, Jan 01 2020	31	8.31	8.44
13th Coupon	Saturday, Feb 01 2020	Saturday, Feb 01 2020	31	8.31	8.44
14th Coupon	Sunday, Mar 01 2020	Monday, Mar 02 2020	29	7.77	7.89
15th Coupon	Wednesday, Apr 01 2020	Thursday, Apr 02 2020	31	8.31	8.44
16th Coupon	Friday, May 01 2020	Saturday, May 02 2020	30	8.04	8.16
17th Coupon	Monday, Jun 01 2020	Monday, Jun 01 2020	31	8.31	8.44
18th Coupon	Wednesday, Jul 01 2020	Wednesday, Jul 01 2020	30	8.04	8.16
19th Coupon	Saturday, Aug 01 2020	Saturday, Aug 01 2020	31	8.31	8.44
20th Coupon	Tuesday, Sep 01 2020	Tuesday, Sep 01 2020	31	8.31	8.44
21st Coupon	Thursday, Oct 01 2020	Thursday, Oct 01 2020	30	8.04	8.16
22nd Coupon	Sunday, Nov 01 2020	Monday, Nov 02 2020	31	8.31	8.44
23rd Coupon	Tuesday, Dec 01 2020	Tuesday, Dec 01 2020	30	8.04	8.16
24th Coupon	Friday, Jan 01 2021	Friday, Jan 01 2021	31	8.33	8.46
25th Coupon	Monday, Feb 01 2021	Monday, Feb 01 2021	31	8.33	8.46
26th Coupon	Monday, Mar 01 2021	Monday, Mar 01 2021	28	7.53	7.64
27th Coupon	Thursday, Apr 01 2021	Friday, Apr 02 2021	31	8.33	8.46
28th Coupon	Saturday, May 01 2021	Monday, May 03 2021	30	8.06	8.19
29th Coupon	Tuesday, Jun 01 2021	Tuesday, Jun 01 2021	31	8.33	8.46
30th Coupon	Thursday, Jul 01 2021	Thursday, Jul 01 2021	30	8.06	8.19
31st Coupon	Sunday, Aug 01 2021	Monday, Aug 02 2021	31	8.33	8.46
32nd Coupon	Wednesday, Sep 01 2021	Wednesday, Sep 01 2021	31	8.33	8.46
33rd Coupon	Friday, Oct 01 2021	Friday, Oct 01 2021	30	8.06	8.19
34th Coupon	Monday, Nov 01 2021	Monday, Nov 01 2021	31	8.33	8.46
35th Coupon	Wednesday, Dec 01 2021	Wednesday, Dec 01 2021	30	8.06	8.19
36th Coupon	Saturday, Jan 01 2022	Saturday, Jan 01 2022	31	8.33	8.46
37th Coupon	Tuesday, Feb 01 2022	Tuesday, Feb 01 2022	31	8.33	8.46
38th Coupon	Tuesday, Mar 01 2022	Tuesday, Mar 01 2022	28	7.53	7.64
39th Coupon	Friday, Apr 01 2022	Saturday, Apr 02 2022	31	8.33	8.46
40th Coupon	Sunday, May 01 2022	Monday, May 02 2022	30	8.06	8.19
41st Coupon	Wednesday, Jun 01 2022	Wednesday, Jun 01 2022	31	8.33	8.46
42nd Coupon	Friday, Jul 01 2022	Friday, Jul 01 2022	30	8.06	8.19
43rd Coupon	Monday, Aug 01 2022	Monday, Aug 01 2022	31	8.33	8.46
44th Coupon	Thursday, Sep 01 2022	Thursday, Sep 01 2022	31	8.33	8.46
45th Coupon	Saturday, Oct 01 2022	Saturday, Oct 01 2022	30	8.06	8.19
46th Coupon	Tuesday, Nov 01 2022	Tuesday, Nov 01 2022	31	8.33	8.46
47th Coupon	Thursday, Dec 01 2022	Thursday, Dec 01 2022	30	8.06	8.19
48th Coupon	Sunday, Jan 01 2023	Monday, Jan 02 2023	31	8.33	8.46
49th Coupon	Wednesday, Feb 01 2023	Wednesday, Feb 01 2023	31	8.33	8.46
50th Coupon	Wednesday, Mar 01 2023	Wednesday, Mar 01 2023	28	7.53	7.64
51st Coupon	Saturday, Apr 01 2023	Monday, Apr 03 2023	31	8.33	8.46
52nd Coupon	Monday, May 01 2023	Tuesday, May 02 2023	30	8.06	8.19
53rd Coupon	Thursday, Jun 01 2023	Thursday, Jun 01 2023	31	8.33	8.46
54th Coupon	Saturday, Jul 01 2023	Saturday, Jul 01 2023	30	8.06	8.19
55th Coupon	Tuesday, Aug 01 2023	Tuesday, Aug 01 2023	31	8.33	8.46
56th Coupon	Friday, Sep 01 2023	Friday, Sep 01 2023	31	8.33	8.46
57th Coupon	Sunday, Oct 01 2023	Tuesday, Oct 03 2023	30	8.06	8.19
58th Coupon	Wednesday, Nov 01 2023	Wednesday, Nov 01 2023	31	8.33	8.46
59th Coupon	Friday, Dec 01 2023	Friday, Dec 01 2023	30	8.06	8.19
60th Coupon	Monday, Jan 01 2024	Monday, Jan 01 2024	31	8.31	8.44
61st Coupon	Thursday, Feb 01 2024	Thursday, Feb 01 2024	31	8.31	8.44
62nd Coupon	Friday, Mar 01 2024	Friday, Mar 01 2024	29	7.77	7.89
63rd Coupon	Monday, Apr 01 2024	Tuesday, Apr 02 2024	31	8.31	8.44
64th Coupon	Wednesday, May 01 2024	Thursday, May 02 2024	30	8.04	8.16
65th Coupon	Saturday, Jun 01 2024	Saturday, Jun 01 2024	31	8.31	8.44
66th Coupon	Monday, Jul 01 2024	Monday, Jul 01 2024	30	8.04	8.16
67th Coupon	Thursday, Aug 01 2024	Thursday, Aug 01 2024	31	8.31	8.44
68th Coupon	Sunday, Sep 01 2024	Monday, Sep 02 2024	31	8.31	8.44
69th Coupon	Tuesday, Oct 01 2024	Tuesday, Oct 01 2024	30	8.04	8.16
70th Coupon	Friday, Nov 01 2024	Friday, Nov 01 2024	31	8.31	8.44
71st Coupon	Sunday, Dec 01 2024	Monday, Dec 02 2024	30	8.04	8.16
72nd Coupon	Wednesday, Jan 01 2025	Wednesday, Jan 01 2025	31	8.33	8.46

73rd Coupon	Saturday, Feb 01 2025	Saturday, Feb 01 2025	31	8.33	8.46
74th Coupon	Saturday, Mar 01 2025	Saturday, Mar 01 2025	28	7.53	7.64
75th Coupon	Tuesday, Apr 01 2025	Wednesday, Apr 02 2025	31	8.33	8.46
76th Coupon	Thursday, May 01 2025	Friday, May 02 2025	30	8.06	8.19
77th Coupon	Sunday, Jun 01 2025	Monday, Jun 02 2025	31	8.33	8.46
78th Coupon	Tuesday, Jul 01 2025	Tuesday, Jul 01 2025	30	8.06	8.19
79th Coupon	Friday, Aug 01 2025	Friday, Aug 01 2025	31	8.33	8.46
80th Coupon	Monday, Sep 01 2025	Monday, Sep 01 2025	31	8.33	8.46
81st Coupon	Wednesday, Oct 01 2025	Wednesday, Oct 01 2025	30	8.06	8.19
82nd Coupon	Saturday, Nov 01 2025	Saturday, Nov 01 2025	31	8.33	8.46
83rd Coupon	Monday, Dec 01 2025	Monday, Dec 01 2025	30	8.06	8.19
84th Coupon	Thursday, Jan 01 2026	Thursday, Jan 01 2026	31	8.33	8.46
85th Coupon	Sunday, Feb 01 2026	Monday, Feb 02 2026	31	8.33	8.46
86th Coupon	Sunday, Mar 01 2026	Monday, Mar 02 2026	28	7.53	7.64
87th Coupon	Wednesday, Apr 01 2026	Thursday, Apr 02 2026	31	8.33	8.46
88th Coupon	Friday, May 01 2026	Saturday, May 02 2026	30	8.06	8.19
89th Coupon	Monday, Jun 01 2026	Monday, Jun 01 2026	31	8.33	8.46
90th Coupon	Wednesday, Jul 01 2026	Wednesday, Jul 01 2026	30	8.06	8.19
91st Coupon	Saturday, Aug 01 2026	Saturday, Aug 01 2026	31	8.33	8.46
92nd Coupon	Tuesday, Sep 01 2026	Tuesday, Sep 01 2026	31	8.33	8.46
93rd Coupon	Thursday, Oct 01 2026	Thursday, Oct 01 2026	30	8.06	8.19
94th Coupon	Sunday, Nov 01 2026	Monday, Nov 02 2026	31	8.33	8.46
95th Coupon	Tuesday, Dec 01 2026	Tuesday, Dec 01 2026	30	8.06	8.19
96th Coupon	Friday, Jan 01 2027	Friday, Jan 01 2027	31	8.33	8.46
97th Coupon	Monday, Feb 01 2027	Monday, Feb 01 2027	31	8.33	8.46
98th Coupon	Monday, Mar 01 2027	Monday, Mar 01 2027	28	7.53	7.64
99th Coupon	Thursday, Apr 01 2027	Friday, Apr 02 2027	31	8.33	8.46
100th Coupon	Saturday, May 01 2027	Monday, May 03 2027	30	8.06	8.19
101st Coupon	Tuesday, Jun 01 2027	Tuesday, Jun 01 2027	31	8.33	8.46
102nd Coupon	Thursday, Jul 01 2027	Thursday, Jul 01 2027	30	8.06	8.19
103rd Coupon	Sunday, Aug 01 2027	Monday, Aug 02 2027	31	8.33	8.46
104th Coupon	Wednesday, Sep 01 2027	Wednesday, Sep 01 2027	31	8.33	8.46
105th Coupon	Friday, Oct 01 2027	Friday, Oct 01 2027	30	8.06	8.19
106th Coupon	Monday, Nov 01 2027	Monday, Nov 01 2027	31	8.33	8.46
107th Coupon	Wednesday, Dec 01 2027	Wednesday, Dec 01 2027	30	8.06	8.19
108th Coupon	Saturday, Jan 01 2028	Saturday, Jan 01 2028	31	8.31	8.44
109th Coupon	Tuesday, Feb 01 2028	Tuesday, Feb 01 2028	31	8.31	8.44
110th Coupon	Wednesday, Mar 01 2028	Wednesday, Mar 01 2028	29	7.77	7.89
111th Coupon	Saturday, Apr 01 2028	Monday, Apr 03 2028	31	8.31	8.44
112th Coupon	Monday, May 01 2028	Tuesday, May 02 2028	30	8.04	8.16
113th Coupon	Thursday, Jun 01 2028	Thursday, Jun 01 2028	31	8.31	8.44
114th Coupon	Saturday, Jul 01 2028	Saturday, Jul 01 2028	30	8.04	8.16
115th Coupon	Tuesday, Aug 01 2028	Tuesday, Aug 01 2028	31	8.31	8.44
116th Coupon	Friday, Sep 01 2028	Friday, Sep 01 2028	31	8.31	8.44
117th Coupon	Sunday, Oct 01 2028	Tuesday, Oct 03 2028	30	8.04	8.16
118th Coupon	Wednesday, Nov 01 2028	Wednesday, Nov 01 2028	31	8.31	8.44
119th Coupon	Friday, Dec 01 2028	Friday, Dec 01 2028	30	8.04	8.16
120th Coupon	Thursday, Dec 28 2028	Thursday, Dec 28 2028	27	7.26	7.37
Principal / Maturity value	Thursday, Dec 28 2028	Thursday, Dec 28 2028		1,000.00	1,000.00
<b>Total</b>			<b>3,653</b>	<b>1,981.00</b>	<b>1,996.00</b>
<b>Effective Yield :</b>				10.25%	10.42%

1. For the Purpose of above illustration, the Deemed Date of Allotment has been assumed as December 28, 2018. If the Deemed Date of Allotment undergoes a change, the coupon/interest payment dates, redemption dates, redemption amounts and other cash flow workings shall be changed accordingly.
2. For the purpose of the above illustrations, it is also assumed that Sundays and public holidays are Non-Working Days.
3. Interest payable during the year 2020, 2024 and 2028 being a leap years, has been calculated for 366 days.
4. For illustration purpose, the cash flow workings is on 1 NCD.