A. K. Stockmart Pvt. Ltd.

Public Issue of Secured Redeemable Non-Convertible Debentures of MUTHOOT FINANCE LIMITED November 28, 2022- December 19, 2022

MUTHOOT FINANCE LIMITED

INVESTMENT RATIONALE

- **PUBLIC ISSUE BY MUTHOOT FINANCE LIMITED ("COMPANY" OR THE "ISSUER") OF SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF Rs 1,000 EACH ("NCDs") FOR AN AMOUNT OF RS 75 CRORES ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UP TO RS 225 CRORES AGGREGATING UP TO 30,00,000 NCDs AMOUNTING TO RS 300 CRORES ("TRANCHE IV ISSUE LIMIT") ("TRANCHE IV ISSUE") WHICH IS WITHIN THE SHELF LIMIT OF RS 3000 CRORES AND IS BEING OFFERED BY WAY OF THE TRANCHE IV PROSPECTUS DATED**
- **Proposed NCDs have a Credit Rating of [ICRA] AA+/Stable (ICRA Double A plus rating with stable outlook) by ICRA Limited**
- **The NCDs are proposed to be listed on BSE Limited ("BSE"). For the purposes of the Issue, BSE shall be the Designated Stock Exchange.**

COMPANY PROFILE

- Muthoot Finance Limited ("MFL" / "the Company") is the largest gold loan NBFC in India in terms of loan portfolio.
- MFL is an "Upper Layer NBFC" (NBFC-UL) headquartered in the south Indian state of Kerala.
- MFL provides personal loans and business loans secured by gold jewelry, or Gold Loans, primarily to individuals who possess gold jewelry but are not able to access formal credit within a reasonable time, or to whom credit may not be available at all, to meet unanticipated or other short-term liquidity requirements. In addition, MFL provides money transfer services through their branches as sub-agents of various registered money transfer agencies and also provide collection agency services. MFL has also started providing unsecured loans to salaried individuals and loans to traders and self-employed. Apart from the above, MFL also provide micro-finance, housing finance, vehicle and equipment finance and insurance broking services through its subsidiaries.
- Gold Loan portfolio as of September 30, 2022 comprised approximately 81.6 lakh loan accounts in India that MFL serviced through their 4641 branches across 22 states, the national capital territory of Delhi and six union territories in India. As of September 30, 2022 MFL employed 27,204 persons in its operations.
- MFL also relies on loans from banks and financial institutions as its sources of funds. As of March 31, 2022, MFL had Rs 27663.069 crore as borrowings from banks and financial institutions. In FY 2019-20, MFL accessed external commercial borrowing through issuance of USD denominated Senior Secured Notes raising 1 Billion USD.
- As of March 31, 2020, 2021 and 2022, MFL's portfolio of outstanding principal amount of gross Gold Loans under management was Rs 40,772.36 crore, Rs 51,926.57 crore and Rs.57,531.31 crore respectively, and approximately, 175.76 tons,170.61 tons and 187.04 tons respectively, of gold jewelry was held by MFL as security for its Gold Loans.
- Stage 3 Loan Assets were at 2.16%, 0.88% and 2.99% of MFL's gross loan assets as of March 31, 2020, 2021and 2022 respectively.
- For the year ended March 31, 2020, 2021and 2022, its total income was at Rs. 8,722.79 crore, Rs 10,574.36 crore and Rs. 11,098.40respectively which shows a year over year increase of 26.77%, 21.23% and 4.96%.
- For the years ended March 31, 2020, 2021and 2022 revenues from MFL's gold loan business constituted 96.81%, 95.88% and 96.67% respectively of its total income.
- For the year ended March 31, 2020, 2021and 2022 its profit after tax was at Rs 3,018.30 crore, Rs 3,722.18 crore and Rs 3,954.30 respectively which shows a year over year increase of 53.05% 23.32%and 6.24%.
- As of March 31, 2020, 2021 and 2022, MFL's net worth was Rs 11,571.81 crore, Rs 15,238.89 crore, Rs 18,344.57 crore respectively.

Source: Shelf Prospectus dated March 30, 2022 and Tranche IV Prospectus dated November 21, 2022

Disclaimer: Invest only after referring to the Shelf Prospectus dated March 30, 2022 and Tranche IV Prospectus dated November 21, 2022

STRENGTHS

- ***Market leading position in the Gold Loan business in India with pan-India reach and branch network***

  Gold loans are the core products in MFL's asset portfolio. Its experience, through their Promoters, has enabled them to have a leading position in the Gold Loan business in India. MFL is the largest gold financing company in India in terms of loan portfolio as of March 31, 2021 according to the ICRA Analytics Industry Report 2021. The loan portfolio as of March 31, 2021 comprised approximately 84.1 lakh loan accounts, in India with Gold Loans outstanding of Rs 51,926.57 crore. The branch network has expanded significantly in recent years from 373 branches as of March 31, 2005 to 4,641 branches as of September 30 , 2022. Due to its early entry, they have built a recognizable brand in the rural and semi-urban markets of India. The average disbursed Gold Loan amount outstanding was Rs 68,739 per loan account as of March 31, 2022 while interest rates on the Gold Loans usually range between 12.00% and 24.00% per annum.

- ***Strong brand name, track record, management expertise and Promoter support***

  MFL's operating history has evolved over a period of 83 years. The experience, skills and goodwill acquired by the Promoters over these years cannot be easily replicated by competitors. Its highly experienced and motivated management team capitalizes on this heritage at both the corporate and operational levels. The senior management team has extensive experience in the Gold Loan industry and has demonstrated the ability to grow the business through their operational leadership, strategic vision and ability to raise capital. Under the current management team, the loan assets portfolio has grown from Rs 3,369.01 crore as of March 31, 2009 to Rs 58,053.17 crore as of March 31, 2022.

- ***High-quality customer service and robust operating systems***

  MFL adheres to a strict set of market survey and location guidelines when selecting branch sites to ensure that its branches are set up close to the customers. Each of the branches across India is staffed with persons who possess local knowledge and understanding of customers' needs and who are trained to appraise collateral and disburse loans within a few minutes. Furthermore, since the loans are all over-collateralized by gold jewelry, there are minimal documentary and credit assessment requirements, thereby shortening the turnaround time.

- ***Strong capital raising ability to fund a high profitability business model***

  MFL has a track record of successfully raising capital from various sources at competitive costs. It regularly issued secured redeemable non-convertible debentures to retail investors, earlier on a private placement basis and now through public issue route as a means to access capital for its Gold Loan business. MFL believes that it is able to raise capital from retail investors because of its leadership, goodwill, trust, reputation, track record, performance, stability in the business and strong quality asset portfolio. As of March 31, 2020, 2021 and 2022 its outstanding borrowings from banks and financial institutions were Rs 14,577.46 crore, Rs 19,833.14 crore and Rs. 27,663.06 crore respectively. It has developed stable long-term relationships with its lenders, and established a track record of timely servicing its debts.

- ***In-house training capabilities to meet the branch expansion requirements***

  MFL's ability to timely appraise the quality of the gold jewelry collateral is critical to the business. It does not engage third parties to assess the collateral for the Gold Loans, but instead employs in-house staff for this purpose. MFL's in-house training has built up a talent pool that enables it to staff new branches with qualified and skilled personnel as it seeks to grow its branch network. The in-house training capabilities also enable it to improve the skill sets of the existing personnel.

Source: Shelf Prospectus dated March 30, 2022 and Tranche IV Prospectus dated November 21, 2022

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ISSUE STRUCTURE

Particulars	Details
Issuer	Muthoot Finance Limited
Lead Manager	A. K. Capital Services Limited
Debenture Trustee	IDBI Trusteeship Services Limited
Registrar to the Issue	Link Intime India Private Limited
Type and nature of instrument	Secured, redeemable non-convertible debentures of face value Rs 1,000 each
Base Issue	Rs 75 crore
Option to retain Oversubscription Amount	Rs 225 crore
Face Value (in Rs / NCD)	Rs 1000
Issue Price (in Rs / NCD)	Rs 1000
Minimum application	Rs 10,000
In multiples of	Rs 1000 (1 NCD)
Seniority	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 the company and shall rank pari passu inter se, present and future and subject to any obligations under applicable statutory and/or regulatory requirements, shall also, with regard to the amount invested, be secured by way of first pari passu charge on current assets, book debts, loans and advances, and receivables including gold loan receivables, both present and future, of the Company, by way of hypothecation. The Company shall create and maintain security for the Secured NCDs in favour of the Debenture Trustee for the Secured NCD Holders on the book value of the above assets as appearing in the balance sheet from time to time to the extent of 100% of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. The Company is required to obtain permissions / consents from the prior creditors having corresponding assets as Security, in favour of the Debenture Trustee, for creation of such pari passu charge. The Company had applied to the prior creditors for such permissions / consents and has obtained all permissions / consents from such creditors thereby enabling it to undertake the Tranche IV Issue. At the request of the Company, the Debenture Trustee may release/ exclude a part of the assets mentioned above from the security so created for the Secured NCDs, subject to the Company maintaining the security cover as mentioned above and subject to such other terms and conditions as may be stipulated by the Debenture Trustee. The Company shall carry out subsequent valuation of the assets mentioned above, at the request of the Debenture Trustee, at the Company's cost.
Mode of Issue	Public Issue
Tranche IV Issue	Public Issue by the Company of secured redeemable non-convertible debentures of face value of Rs 1,000 each for an amount of Rs 75 crore with an option to retain oversubscription up to Rs 225 crore aggregating up to 30,00,000 NCDs amounting to Rs 300 crore which is within the Shelf Limit of Rs 3000 crore and is being offered by way of the Tranche IV Prospectus dated November 21, 2022, containing, inter alia, the terms and conditions of the Tranche IV Issue, which should be read together with the Shelf Prospectus dated March 30, 2022 filed with the Registrar of Companies, Kerala and Lakshadweep, the Stock Exchange and the SEBI.
Listing	BSE. BSE shall be the Designated Stock Exchange for the Tranche IV Issue. The NCDs are proposed to be listed within 6 Working Days from the Tranche IV Issue Closing Date.
Lock-in	N.A.
Mode of Allotment and Trading*	NCDs will be issued and traded compulsorily in dematerialised form.
Mode of settlement	Please refer to the section titled "Issue Structure" on page 127 of the Tranche IV Prospectus.
Trading Lot	One (1) NCD
Depositories	NSDL and CDSL
Who can apply/ Eligible Investors	Please refer to the section titled "Issue Procedure" on page 146 of the Tranche IV Prospectus.
Credit Ratings	**Rating agency** / **Instrument** / **Rating symbol** ICRA / NCDs / "[ICRA] AA+ (Stable)"
Tranche IV Issue Size	Rs 75 crore with an option to retain oversubscription up to Rs 225 crore aggregating up to Rs 300 crore.
Pay-in date	The entire Application Amount is payable on Application.
Record Date	The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith shall be 15 days prior to the date on which interest is due and payable, and/or the date of redemption. Provided that trading in the NCDs shall remain suspended between the aforementioned Record Date in connection with redemption of NCDs and the date of redemption or as prescribed by the Stock Exchange, as the case may be. In case Record Date falls on a day when Stock Exchange is having a trading holiday, the immediate subsequent trading day or a date notified by the Company to the Stock Exchanges, will be deemed as the Record Date.
Tranche IV Issue Schedule*	The Tranche IV Issue shall be open from November 28, 2022 to December 19, 2022 with an option to close earlier and/or extend up to a period as may be determined by the NCD Committee.
Objects of the Issue	Please refer to the section titled "Objects of the Issue" on page 78 of the Tranche IV Prospectus.
Details of the utilisation of Issue proceeds	Please refer to the section titled "Objects of the Issue" on page 78 of the Tranche IV Prospectus.
Coupon rate	Please refer to the section titled "Issue Structure" on page 127 of the Tranche IV Prospectus.
Coupon payment date	Please refer to the section titled "Issue Structure" on page 127 of the Tranche IV Prospectus.
Interest type	Please refer to the section titled "Issue Structure" on page 127 of the Tranche IV Prospectus.
Tenor	Please refer to the section titled "Issue Structure" on page 127 of the Tranche IV Prospectus.
Coupon payment frequency	Please refer to the section titled "Issue Structure" on page 127 of the Tranche IV Prospectus.
Redemption date	Please refer to the section titled "Issue Structure" on page 127 of the Tranche IV Prospectus.
Redemption Amount	Please refer to the section titled "Issue Structure" on page 127 of the Tranche IV Prospectus.
Redemption premium/discount	Please refer to the section titled "Issue Structure" on page 127 of the Tranche IV Prospectus.
Description regarding Security	The Secured NCDs shall be secured by way of first pari passu floating charge on current assets, book debts, loans, advances and receivables including gold loan receivables both present and future, by way of hypothecation. The issuer shall create and maintain security for the Secured NCDs in favour of the Debenture Trustee for the Secured NCD Holders on the book value of the above assets as appearing in the balance sheet from time to time to the extent of 100% of the amount outstanding in respect of Secured NCDs, including interest thereon, at any time. At the request of the Company, the Debenture Trustee may release/ exclude a part of the assets mentioned above from the security to be created for the Secured NCDs, subject to the Company maintaining the security cover as mentioned above and subject to such other terms and conditions as may be stipulated by the Debenture Trustee. The Company shall carry out subsequent valuation of the assets mentioned above, at the request of the Debenture Trustee, at the Company's cost. While the Secured NCDs will be secured to the tune of 100% of the principal and interest amount as per the terms of the Tranche IV Prospectus, in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained, however, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.The Company intends to enter into an agreement with the Debenture Trustee ('Debenture Trust Deed'), the terms of which will govern the appointment of the Debenture Trustee and the issue of the Secured NCDs. The Company proposes to complete the execution of the Debenture Trust Deed before finalisation of the Basis of Allotment in consultation with the Designated Stock Exchange and utilize the funds only after the stipulated security has been created and upon receipt of listing and trading approval from the Designated Stock Exchange. Under the terms of the Debenture Trust Deed, the 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 the Draft Shelf Prospectus / the Shelf Prospectus / the Tranche IV Prospectus and in the Debenture Trust Deed. The Debenture Trust Deed will also provide that the Company may withdraw any portion of the security and replace with another asset of the same or a higher value subject to the security cover being maintained till the maturity date of the Secured NCDs.
Day count convention	Actual/Actual
Tranche IV Issue Opening Date	November 28, 2022
Tranche IV Issue Closing Date	December 19, 2022
Deemed Date of Allotment	The date on which the Board or the duly authorised committee of the Board constituted by resolution of the Board dated May 16, 2018, approves the Allotment of the NCDs for each Tranche Issue. The actual Allotment of NCDs may take place on a date other than the Deemed Date of Allotment. All benefits relating to the NCDs including interest on NCDs (as specified for each Tranche Issue by way of the relevant Tranche Prospectus) shall be available to the Debenture holders from the Deemed Date of Allotment.

In terms of Regulation 7 of the SEBI NCS Regulations, the Company will make public issue of NCDs in the dematerialised form. However, in terms of Section 8 (1) of the Depositories Act, the Company, at the request of the Applicants who wish to hold the NCDs post allotment in physical form, will fulfill such request through the process of rematerialisation.

**The subscription list shall remain open for subscription on Working Days from 10 A.M. to 5 P.M., during the period indicated in the Tranche IV Prospectus, except that the Tranche IV Issue may close on such earlier date or extended date as may be decided by the Board or NCD Committee. In the event of such an early closure of or extension subscription list of the Tranche IV Issue, the Company shall ensure that notice of such early closure or extension is given to the prospective investors through an advertisement in all the newspapers in which the pre-Issue advertisement has been given, on or before such earlier date or extended date of closure. On the Tranche IV Issue Closing Date, the Application Forms will be accepted only between 10 A.M. and 3 P.M. (Indian Standard Time) and uploaded until 5 P.M. or such extended time as may be permitted by the BSE. Further, pending mandate requests for bids placed on the last day of bidding will be validated by 5 P.M. (Indian Standard Time) on one Working Day after the Issue Closing Date. For further details please refer to the section titled "Issue Related Information" on page 122 of the Tranche IV Prospectus.*

While the Secured NCDs will be secured to the tune of 100% of the principal and interest amount or as per the terms of the Tranche IV Prospectus in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that the security is maintained. However, the possibility of recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security.

Source: Shelf Prospectus dated March 30, 2022 and Tranche IV Prospectus dated November 21, 2022

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THE SPECIFIC TERMS OF EACH OPTION OF NCDs

Terms and conditions in connection with Secured NCDs (1) Options	I	II	III#	IV	V	VI	VII
Frequency of Interest Payment	Monthly*	Monthly*	Annually**	Annually**	Annually**	NA	NA
Who can apply	All categories of investors (Category I, II, III & IV)						
Category I– Institutional							
Category II– Non-institutional							
Category III- High Net Worth Individual							
Category IV- Retail Individual							
Minimum Application	Rs 10,000 (10 NCDs)	Rs 10,000 (10 NCDs)	Rs 10,000 (10 NCDs)	Rs 10,000 (10 NCDs)	Rs 10,000 (10 NCDs)	Rs 10,000 (10 NCDs)	Rs 10,000 (10 NCDs)
In multiples of	Rs 1,000 (1 NCD)	Rs 1,000 (1 NCD)	Rs 1,000 (1 NCD)	Rs 1,000 (1 NCD)	Rs 1,000 (1 NCD)	Rs 1,000 (1 NCD)	Rs 1,000 (1 NCD)
Face Value of NCDs (₹ / NCD)	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000
Issue Price (₹ / NCD)	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000
Tenor from Deemed Date of Allotment	36 Months	60 Months	24 Months	36 Months	60 Months	36 Months	60 Months
Coupon Rate (% per annum) (A)							
Category I- Institutional	7.35%	7.50%	7.25%	7.60%	7.75%	NA	NA
Category II- Non Institutional	7.35%	7.50%	7.25%	7.60%	7.75%	NA	NA
Category III-High Net Woth Individual	7.35%	7.50%	7.25%	7.60%	7.75%	NA	NA
Category IV-Retail Individual	7.35%	7.50%	7.25%	7.60%	7.75%	NA	NA
Additional incentive above Coupon Rate (% per annum) on any Record Date as applicable to Category III and Category IV investors (B)(2)							
Category III- High Net Worth Individual	0.50%	0.50%	0.50%	0.50%	0.50%	NA	NA
Category IV- Retail Individual	0.50%	0.50%	0.50%	0.50%	0.50%	NA	NA
Aggregate of the Coupon Rate and the additional incentive above the Coupon Rate on any Record Date as applicable to Category III and Category IV investors {(A) + (B)}							
Category I- Institutional	7.35%	7.50%	7.25%	7.60%	7.75%	NA	NA
Category II- Non Institutional	7.35%	7.50%	7.25%	7.60%	7.75%	NA	NA
Category III- High Net Worth Individual	7.85%	8.00%	7.75%	8.10%	8.25%	NA	NA
Category IV- Retail Individual	7.85%	8.00%	7.75%	8.10%	8.25%	NA	NA
Effective Yield (Per annum)(3)							
Category I- Institutional	7.35%	7.50%	7.25%	7.60%	7.75%	7.60%	7.75%
Category II- Non Institutional	7.35%	7.50%	7.25%	7.60%	7.75%	7.60%	7.75%
Category III- High Net Worth Individual	7.85%	8.00%	7.75%	8.10%	8.25%	8.10%	8.25%
Category IV- Retail Individual	7.85%	8.00%	7.75%	8.10%	8.25%	8.10%	8.25%
Mode of Payment	Through various options available						
Amount (₹ / NCD) on Maturity(4)							
Category I- Institutional	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,245.77	Rs 1,452.40
Category II- Non Institutional	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,245.77	Rs 1,452.40
Category III- High Net Worth Individual	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,263.21	Rs 1,486.41
Category IV- Retail Individual	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,000	Rs 1,263.21	Rs 1,486.41
Maturity Date (From Deemed Date of Allotment)	36 Months	60 Months	24 Months	36 Months	60 Months	36 Months	60 Months
Nature of indebtedness	Secured and non-convertible						

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

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

(1) Please refer to Annexure FS – 5A for details pertaining to the cash flows of the Company in accordance with the SEBI Operational Circular.

(2) As regards the payment of additional incentive, such additional incentive shall be payable to only such NCD Holders who shall be individuals as on the Record Date.

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

(4) Subject to applicable tax deducted at source, if any.

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

PAYMENT OF INTEREST:

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

On Option VI and Option VII, NCDs shall be redeemed at the end of 36 months and 60 months respectively from the Deemed Date of Allotment.

As regards the payment of additional incentive applicable for Category III and Category IV investors, such additional incentive shall be payable to only such NCD Holders who shall be individuals as on the Record Date.

Amount of interest payable shall be rounded off to the nearest Rupee. If the date of interest payment falls does not fall on a Working Day, then interest as due and payable on such day, would be paid on the next 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 holiday. Payment of interest would be subject to the deduction as prescribed in the IT Act or any statutory modification or re-enactment thereof for the time being in force.

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

ALLOCATION RATIO:

Institutional Portion	Non-Institutional Portion	High Net Worth Individual Portion	Retail Individual Investor Portion
5%	5%	40%	50%

Source: Shelf Prospectus dated March 30, 2022 and Tranche IV Prospectus dated November 21, 2022

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INVESTOR CATEGORIES AND ALLOTMENT

Category I	Category II	Category III	Category IV
• Public financial institutions, scheduled commercial banks, 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 Rs 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 IRDAI; • State industrial development corporations; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; • Insurance funds set up and managed by the Department of Posts, the Union of India; • Systemically Important Non-Banking Financial Company registered with the RBI and having a net-worth of more than Rs 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.	• Companies within the meaning of Section 2(20) of the Companies Act, 2013; • Statutory bodies/ corporations and societies registered under the applicable laws in India and authorised to invest in the NCDs; • Co-operative banks and regional rural banks; • Trusts including public/private charitable/religious trusts which are authorised to invest in the NCDs; • Scientific and/or industrial research organisations, which are authorised to invest in the NCDs; • Partnership firms in the name of the partners; • Limited liability partnerships formed and registered under the provisions of the Limited Liability Partnership Act, 2008 (No. 6 of 2009); • Association of Persons; and • Any other incorporated and/ or unincorporated body of persons.	• Resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating to above INR 10,00,000 across all options of NCDs in the Issue.	Retail individual investors, resident Indian individuals or Hindu Undivided Families through the Karta applying for an amount aggregating up to and including Rs 10,00,000 across all options of NCDs in the Issue and shall include Retail Individual Investors, who have submitted bid for an amount not more than UPI Application Limit (being Rs 500,000 for public issue of debt securities) in any of the bidding options in the Issue (including HUFs applying through their Karta and does not include NRIs) though UPI Mechanism.

APPLICATIONS CANNOT BE MADE BY

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

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

Source: Shelf Prospectus dated March 30, 2022 and Tranche IV Prospectus dated November 21, 2022
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KEY OPERATIONAL AND FINANCIAL PARAMETERS (Standalone) Ind AS

(Rs.in crore)

Particulars *(As at end of Financial Year) (In Rs crores)*	H1 FY 2023	FY 2022	FY 2021	FY 2020
BALANCE SHEET				
Property, Plant and Equipment	264.90	263.69	241.58	222.73
Financial Assets	67,467.27	70,132.77	63,072.24	50,138.36
Non-financial Assets excluding property , plant and equipment	167.26	158.22	151.10	98.56
Total Assets	**67,899.44**	**70,554.69**	**63,464.92**	**50,459.65**
Financial Liabilities				
-Derivative financial instruments	150.11	479.80	330.52	-
-Trade Payables	165.90	151.16	201.71	218.50
-Debt Securities	11,483.30	12,497.89	13,796.06	9,961.88
-Borrowings (other than Debt Securities)	35,143.70	37,170.99	31,940.58	26,870.59
-Subordinated liabilities	142.52	142.37	209.64	297.58
-Other financial liabilities	975.87	1,178.20	1,213.51	1,061.72
Non-Financial Liabilities	0			
-Current tax liabilities (net)	226.96	135.33	128.24	78.15
-Provisions	344.84	359.84	362.60	363.30
-Deferred tax liabilities (net)	-	-	-	4.00
-Other non-financial liabilities	36.12	94.55	43.17	32.13
Equity (Equity Share Capital and Other Equity)	**19,230.13**	**18,344.57**	**15,238.89**	**11,571.81**
Total Liabilities and Equity	**67,899.44**	**70,554.69**	**63,464.92**	**50,459.65**
PROFIT AND LOSS				
Revenue from operations	5,001.60	11,082.32	10,557.21	8,714.64
Other Income	11.25	16.07	17.15	8.15
Total Income	**5,012.85**	**11,098.39**	**10,574.36**	**8,722.79**
Total Expense	**2,769.60**	**5,789.04**	**5,567.85**	**4,665.38**
Profit after tax for the year	1,669.22	3,954.30	3,722.18	3,018.30
Total Comprehensive Income	**1,688.07**	**3,907.52**	**3,664.89**	**3,078.68**
Additional Information				
Net worth	**19,230.13**	**18,344.57**	**15,238.89**	**11,571.81**
Loans	58,303.24	59,384.23	54,063.39	42,604.17
Cash and cash equivalents	5,787.42	10,035.81	7,777.52	5,834.77
Total Debts to Total Assets	68.88%	70.60%	72.40%	73.58%
Interest Income	**4,956.21**	**10,956.03**	**10,328.53**	**8,564.40**
Interest Expense	**1,844.28**	**3,835.76**	**3,692.44**	**2,790.94**
% Net Stage 3 Loans on Loans (Principal Amount)	**1.48%**	**2.68%**	**0.77%**	**1.93%**
Tier I Capital Adequacy Ratio (%)	**31.07%**	**29.10%**	**26.31%**	**24.30%**
Tier II Capital Adequacy Ratio (%)	0.89%	0.87%	1.08%	1.17%

DEBT EQUITY RATIO OF THE COMPANY ON A STANDALONE BASIS:

Prior to the Issue (as of September 30, 2022)	**2.43 times**
Post the issue#	**2.45 times**

 # The debt-equity ratio post the Tranche IV Issue is indicative and is on account of total outstanding debt and equity as on September 30, 2022 and an assumed inflow of Rs 300.00 crore from the Tranche IV Issue as mentioned in this Tranche IV Prospectus and does not include contingent and off-balance sheet liabilities. The actual debt-equity ratio post the Tranche IV Issue would depend upon the actual position of debt and equity on the date of allotment.

Source: Shelf Prospectus dated March 30, 2022 and Tranche IV Prospectus dated November 21, 2022

Disclaimer: Invest only after referring to the Shelf Prospectus dated March 30, 2022 and Tranche IV Prospectus dated November 21, 2022

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