

Private & Confidential – For Private Circulation Only
(This Placement Memorandum is neither a Prospectus nor a Statement in Lieu of Prospectus).

This Placement Memorandum is prepared in conformity with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the other applicable rules thereunder, each as amended.

Date: September 16, 2021

Indiabulls

INDIABULLS COMMERCIAL CREDIT LIMITED

CIN: U65923DL2006PLC150632; PAN: AABCI5559G

Our Company was originally incorporated as Indiabulls Commercial Credit Limited under the Companies Act, 1956 on July 7, 2006 with the Registrar of Companies, National Capital Territory of Delhi and Haryana ("RoC"). We are registered with Reserve Bank of India to carry on the business of a non-banking financial institution without accepting public deposits and have been issued a Certificate of Registration Number N-14.03136 in pursuance of the same.

Registered Office: M -62&63, First Floor, Connaught Place, New Delhi – 110 001

Email: customerserviceloans@indiabulls.com; **Tel:** +91 11 4353 2950

Corporate Office: Tower I, 18th Floor, One International Centre, S. B. Marg, Elphinstone Road, Mumbai 400 013

Email: helpdesk@indiabulls.com; **Tel:** +91 22 6189 1400

Website: www.indiabullscommercialcredit.com

Company Secretary and Compliance Officer: Mr. Ajit Kumar Singh; **E-mail:** ajisingh@indiabulls.com; **Tel:** +91 124 6681199

Chief Financial Officer: Mr. Ashish Kumar Jain; **E-mail:** asjain@indiabulls.com; **Tel:** +91 124 6681199

PLACEMENT MEMORANDUM FOR PRIVATE PLACEMENT OF 20,000 SECURED REDEEMABLE NON-CONVERTIBLE DEBENTURES OF FACE VALUE OF Rs.10,00,000 EACH FOR CASH AT PAR AGGREGATING TO Rs. 2,000 CRORES

Particulars	NCDs		
Issue Amount (INR)	Rs. 2,000 crores		
Number of NCDs	20,000		
Face Value of NCDs (INR)	Rs.10,00,000 per NCD		
Coupon Rate	Series I	Series II	Series III
	8.60% p.a. (payable annually)	8.75% p.a. (payable annually)	9.00% p.a. (payable annually)
Coupon Payment Frequency	Annually and at Maturity		
Redemption Date	Series I	Series II	Series III
	2 years from date of allotment, i.e., September 21, 2023	3 years from date of allotment, i.e., September 21, 2024	5 years from date of allotment, i.e., September 21, 2026
Redemption Amount	Rs.10,00,000 per NCD		

OUR PROMOTER

Our promoter is Indiabulls Housing Finance Limited. **Telephone:** +91 11 43532950; **Email:** helpdesk@indiabulls.com. For further details refer to the section "Our Promoter".

GENERAL RISK

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section I of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

CREDIT RATING

The NCDs are rated "BWR AA+/Negative" by Brickwork Ratings India Private Limited vide letters and rationale dated September 3, 2021. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. For the rating letters, rationale and press release from the Credit Rating Agency please see Annexure IV.

The rating is not a recommendation to buy, sell or hold the NCDs and investors should take their own decision. The rating may be subject to revision or withdrawal in accordance with Applicable Laws, at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agency has a right to suspend, change, or withdraw the rating at any time on the basis of new information, etc. in accordance with provisions of Applicable Laws.

WILFUL DEFAULTERS

The Company, its directors and promoters have not been declared as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

ELIGIBLE INVESTORS

Only the persons who are specifically addressed through direct communication by or on behalf of the Company are eligible to apply for the NCDs. An application made by any other person will be deemed as an invalid application and rejected.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Placement Memorandum contains all information with regard to the Issuer and the Issue which is material in the context of the Issue, that the information contained in the Placement Memorandum is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading. This Issue is not underwritten.

LISTING

The Secured Redeemable Non-Convertible Debentures are proposed to be listed on the wholesale debt segment of National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE" and together with NSE, the "Stock Exchanges"). The Company has obtained "in-principle" approval from NSE and BSE on September 16, 2021 and September 15, 2021 respectively, for listing the NCDs offered through this Issue and the Company shall ensure that the listing approval for the Debentures is received from NSE and BSE within four working days from the date of closure of the Issue. For the purposes of the Issue, BSE shall be the designated stock exchange.

The Issue would be under the electronic book mechanism for issuance of debt securities on private placement basis as per the Securities and Exchange Board of India ("SEBI") circular no. SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 ("SEBI Operational Circular") read with the "Updated Operational Guidelines for issuance of Securities on private placement basis through an Electronic Book Mechanism" issued by BSE vide their Notice no. 20180928-24 dated September 28, 2019 and any amendments thereto ("BSE EBP Guidelines"), together with the SEBI Operational Circular referred to as the ("Operational Guidelines"). The Company intends to use the BSE Bond – EBP platform for the Issue.

REGISTRAR TO THE ISSUE	DEBENTURE TRUSTEE	CREDIT RATING AGENCY
 <p>KFIN TECHNOLOGIES PRIVATE LIMITED Selenium Tower B, Plot No – 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad Rangareddy, Telangana– 500 032 Telephone No: +91 40 6716 2222 Facsimile No: +91 40 2343 1551 Website: www.kfintech.com Email: einward.ris@kfintech.com</p>	 <p>BEACON TRUSTEESHIP LIMITED 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East), Mumbai 400 051 Telephone No: +91 22 2655 8759 Email: compliance@beacontrustee.co.in Website: www.beacontrustee.co.in Contact Person: Veena Nautiyal</p>	 <p>BRICKWORK RATINGS INDIA PRIVATE LIMITED 3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bengaluru - 560076 Telephone No: + 91 80 4040 9940 Email: CO@brickworkratings.com Contact Person: Mr. Ajanth Kumar</p>

ISSUE SCHEDULE*

Issue Opening Date:	September 20,2021
Issue Closing Date:	September 20,2021
Pay-In Date:	September 21,2021
Deemed Date of Allotment:	September 21,2021

*The subscription list for the Issue shall remain open for subscription during market hours for the period indicated above. The Company reserves the right to change the Issue Closing Date and in such an event, the Pay-in date and Deemed Date of Allotment for the NCDs may also be revised by the Company at its sole and absolute discretion. In the event of any change in the above issue programme, the Company will intimate the investors about the revised issue programme in accordance with the Operational Guidelines.

DISCLAIMER

This Placement Memorandum is neither a Prospectus nor a Statement in lieu of a Prospectus. The issue of Debentures to be listed on the NSE and BSE is being made strictly on a private placement basis. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the Debentures to the public in general. This Placement Memorandum should not be construed to be a prospectus or a statement in lieu of prospectus under the Companies Act.

This Placement Memorandum has been prepared in conformity with the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (“**SEBI NCS Regulations**”). Therefore, as per the applicable provisions, a copy of this Placement Memorandum has not been filed or submitted to SEBI for its review and/or approval. Further, since the Issue is being made on a private placement basis, the provisions of Part I of Chapter III of the Companies Act, 2013 shall not be applicable and accordingly, a copy of this Placement Memorandum has not been filed with the RoC or SEBI.

This Placement Memorandum has been prepared to provide general information about the Issuer to potential investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Placement Memorandum does not purport to contain all the information that any potential investor may require. Neither this Placement Memorandum nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Placement Memorandum should not consider such receipt a recommendation to purchase any Debentures. Each investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer. Potential investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyze such investment and the suitability of such investment to such investor's particular circumstances.

The Issuer confirms that, as of the date hereof, this Placement Memorandum (including the documents incorporated by reference herein, if any) contains all information that is material in the context of the Issue and sale of the Debentures, is accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein, in the light of the circumstances under which they are made, not misleading. No person has been authorized to give any information or to make any representation not contained or incorporated by reference in this Placement Memorandum or in any material made available by the Issuer to any potential investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer.

This Placement Memorandum and the contents hereof are restricted for only the intended recipient(s) who have been addressed directly and specifically through a communication by the Company and only such recipients are eligible to apply for the Debentures. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Placement Memorandum are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by the recipient.

No invitation is being made to any persons other than those to whom application forms along with this Placement Memorandum being issued have been sent by or on behalf of the Issuer. Any application by a person to whom the Placement Memorandum has not been sent by or on behalf of the Issuer shall be rejected without assigning any reason.

The person who is in receipt of this Placement Memorandum shall maintain utmost confidentiality regarding the contents of this Placement Memorandum and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents without the consent of the Issuer.

Each person receiving this Placement Memorandum acknowledges that: Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein; and such person has not relied on any intermediary that may be associated with issuance of Debentures in connection with its investigation of the accuracy of such information or its investment decision.

The Issuer does not undertake to update the Placement Memorandum to reflect subsequent events after the date of the Placement Memorandum and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this Placement Memorandum nor any sale of Debentures made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This Placement Memorandum does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debentures or the distribution of this Placement Memorandum in any jurisdiction where such action is required. The distribution of this Placement Memorandum and the offering and sale of the Debentures may be restricted by law in certain jurisdictions. Persons into whose possession this Placement Memorandum comes are required to inform themselves about and to observe any such restrictions. The Placement Memorandum is made available to investors in the Issue on the strict understanding that the contents hereof are strictly confidential.

CAUTIONARY NOTE

Each invited potential investor acknowledges and agrees that each of them, (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of subscribing to or purchasing the NCDs; (ii) understand that the Company has not provided, and will not provide, any material or other information regarding the NCDs, except as required under Applicable Laws, (iii) have not requested the Company to provide it with any such material or other information, (iv) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the NCDs, (v) have made their own investment decision regarding the NCDs based on their own knowledge (and information they have or which is publicly available) with respect to the NCDs or the Company (vi) have had access to such information as deemed necessary or appropriate in connection with purchase of the NCDs, and (vii) understand that, by purchase or holding of the NCDs, they are assuming and are capable of bearing the risk of loss that may occur with respect to the NCDs, including the possibility that they may lose all or a substantial portion of their investment in the NCDs.

It is the responsibility of each potential Investor to also ensure that they will sell these NCDs in strict accordance with this Placement Memorandum, the Transaction Documents and all other Applicable Laws, so that the sale does not constitute an offer to the public, within the meaning of the Companies Act, as amended. The potential investors shall at all times be responsible for ensuring that it shall not do any act deed or thing which would result this Placement Memorandum being released to any third party (where such party is not an intended recipient from the Company) and in turn constitutes an offer to the public howsoever.

The distribution of this Placement Memorandum or the Application Form and the offer, sale, pledge or disposal of the NCDs may be restricted by law in certain jurisdictions. The sale or transfer of these NCDs outside India may require regulatory approvals in India, including without limitation, the approval of SEBI or RBI.

DISCLAIMER STATEMENT FROM THE ISSUER

The Issuer accepts no responsibility for statements made otherwise than in this document or any other material issued at the instance of the Company and anyone placing reliance on any other source of information would be doing so at his own risk.

In the event any of the terms or provisions as contained in the Debenture Trust Deed are in conflict with the provisions of the Placement Memorandum, then clauses present in the Debenture Trust Deed shall prevail over the clauses present in the Placement Memorandum.

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of this Placement Memorandum has been submitted to the Stock Exchange for hosting the same on its website. It is to be distinctly understood that such submission of the document with the Exchange or hosting the same on its website should not in any way be deemed or construed that the document has been cleared or approved by the Exchange; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this document; nor does it warrant that this Issuer's securities will be listed or continue

to be listed on the Exchange; nor does it take responsibility for the financial or other soundness of this Issuer, its promoters, its management or any scheme or project of the Issuer. Every person who desires to apply for or otherwise acquire any securities of this Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

DISCLAIMER OF THE DEBENTURE TRUSTEE

The Debenture Trustee, “ipso facto” does not have the obligations of a borrower or a principal debtor or a guarantor as to the monies paid/invested by investors for the Debentures/bonds. While the debt securities are secured to the tune of 100% of the principal and interest amount or as per the terms of hereunder, in favor of Debenture Trustee, the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the security. The Debenture Trustee does not make nor deems to have made any representation on the Issuer, its operations, the details and projections about the Issuer or the Debentures under Offer made in this Placement Memorandum. Applicants / Investors are advised to carefully read the Placement Memorandum and make their own enquiry, carry out due diligence and analysis about the Issuer, its performance and profitability and details in the Placement Memorandum before taking their investment decision. The Debenture Trustee shall not be responsible for the investment decision and its consequences. The Debenture Trustee does not confer any guarantee and will not be responsible for any non-payment of any Secured Obligation and/or any loss suffered or any claim made by NCD Holder(s).

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is made in India to investors as specified under the clause titled ‘Eligible Investors’ of this Placement Memorandum, who shall be specifically approached by the Company. This Placement Memorandum does not constitute an offer to sell or an invitation to subscribe to NCDs offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the non-exclusive jurisdiction of the courts and tribunals at New Delhi. This Placement Memorandum does not constitute an offer to sell or an invitation to subscribe to the NCDs herein, in any other jurisdiction to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.

DISCLAIMER OF THE RATING AGENCY

BRICKWORK RATINGS INDIA PVT. LTD. (BWR), A SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) REGISTERED CREDIT RATING AGENCY AND ACCREDITED BY THE RESERVE BANK OF INDIA (RBI), OFFERS CREDIT RATINGS OF BANK LOAN FACILITIES, NON-CONVERTIBLE / CONVERTIBLE / PARTIALLY CONVERTIBLE DEBENTURES AND OTHER CAPITAL MARKET INSTRUMENTS AND BONDS, COMMERCIAL PAPER, PERPETUAL BONDS, ASSET-BACKED AND MORTGAGE-BACKED SECURITIES, PARTIAL GUARANTEES AND OTHER STRUCTURED / CREDIT ENHANCED DEBT INSTRUMENTS, SECURITY RECEIPTS, SECURITISATION PRODUCTS, MUNICIPAL BONDS, ETC. (HEREAFTER REFERRED TO AS “INSTRUMENTS”). BWR ALSO RATES NGOS, EDUCATIONAL INSTITUTIONS, HOSPITALS, REAL ESTATE DEVELOPERS, URBAN LOCAL BODIES AND MUNICIPAL CORPORATIONS.

BWR WISHES TO INFORM ALL PERSONS WHO MAY COME ACROSS RATING RATIONALES AND RATING REPORTS PROVIDED BY BWR THAT THE RATINGS ASSIGNED BY BWR ARE BASED ON INFORMATION OBTAINED FROM THE ISSUER OF THE INSTRUMENT AND OTHER RELIABLE SOURCES, WHICH IN BWR’S BEST JUDGEMENT ARE CONSIDERED RELIABLE. THE RATING RATIONALE / RATING REPORT & OTHER RATING COMMUNICATIONS ARE INTENDED FOR THE JURISDICTION OF INDIA ONLY. THE REPORTS SHOULD NOT BE THE SOLE OR PRIMARY BASIS FOR ANY INVESTMENT DECISION WITHIN THE MEANING OF ANY LAW OR REGULATION (INCLUDING THE LAWS AND REGULATIONS APPLICABLE IN EUROPE AND ALSO THE USA).

BWR ALSO WISHES TO INFORM THAT ACCESS OR USE OF THE SAID DOCUMENTS DOES NOT CREATE A CLIENT RELATIONSHIP BETWEEN THE USER AND BWR.

THE RATINGS ASSIGNED BY BWR ARE ONLY AN EXPRESSION OF BWR'S OPINION ON THE ENTITY / INSTRUMENT AND SHOULD NOT IN ANY MANNER BE CONSTRUED AS BEING A RECOMMENDATION TO EITHER, PURCHASE, HOLD OR SELL THE INSTRUMENT.

BWR ALSO WISHES TO ABUNDANTLY CLARIFY THAT THESE RATINGS ARE NOT TO BE CONSIDERED AS AN INVESTMENT ADVICE IN ANY JURISDICTION NOR ARE THEY TO BE USED AS A BASIS FOR OR AS AN ALTERNATIVE TO INDEPENDENT FINANCIAL ADVICE AND JUDGEMENT OBTAINED FROM THE USER'S FINANCIAL ADVISORS. BWR SHALL NOT BE LIABLE TO ANY LOSSES INCURRED BY THE USERS OF THESE RATING RATIONALES, RATING REPORTS OR ITS CONTENTS. BWR RESERVES THE RIGHT TO VARY, MODIFY, SUSPEND OR WITHDRAW THE RATINGS AT ANY TIME WITHOUT ASSIGNING REASONS FOR THE SAME.

BWR'S RATINGS REFLECT BWR'S OPINION ON THE DAY THE RATINGS ARE PUBLISHED AND ARE NOT REFLECTIVE OF FACTUAL CIRCUMSTANCES THAT MAY HAVE ARISEN ON A LATER DATE. BWR IS NOT OBLIGED TO UPDATE ITS OPINION BASED ON ANY PUBLIC NOTIFICATION, IN ANY FORM OR FORMAT ALTHOUGH BWR MAY DISSEMINATE ITS OPINION AND ANALYSIS WHEN DEEMED FIT.

NEITHER BWR NOR ITS AFFILIATES, THIRD PARTY PROVIDERS, AS WELL AS THE DIRECTORS, OFFICERS, SHAREHOLDERS, EMPLOYEES OR AGENTS (COLLECTIVELY, "BWR PARTY") GUARANTEE THE ACCURACY, COMPLETENESS OR ADEQUACY OF THE RATINGS, AND NO BWR PARTY SHALL HAVE ANY LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS THEREIN, REGARDLESS OF THE CAUSE, OR FOR THE RESULTS OBTAINED FROM THE USE OF ANY PART OF THE RATING RATIONALES OR RATING REPORTS. EACH BWR PARTY DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. IN NO EVENT SHALL ANY BWR PARTY BE LIABLE TO ANY ONE FOR ANY DIRECT, INDIRECT, INCIDENTAL, EXEMPLARY, COMPENSATORY, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES, COSTS, EXPENSES, LEGAL FEES, OR LOSSES (INCLUDING, WITHOUT LIMITATION, LOST INCOME OR LOST PROFITS AND OPPORTUNITY COSTS) IN CONNECTION WITH ANY USE OF ANY PART OF THE RATING RATIONALES AND/OR RATING REPORTS EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. HOWEVER, BWR OR ITS ASSOCIATES MAY HAVE OTHER COMMERCIAL TRANSACTIONS WITH THE COMPANY/ENTITY. BWR AND ITS AFFILIATES DO NOT ACT AS A FIDUCIARY.

BWR KEEPS CERTAIN ACTIVITIES OF ITS BUSINESS UNITS SEPARATE FROM EACH OTHER IN ORDER TO PRESERVE THE INDEPENDENCE AND OBJECTIVITY OF THE RESPECTIVE ACTIVITY. AS A RESULT, CERTAIN BUSINESS UNITS OF BWR MAY HAVE INFORMATION THAT IS NOT AVAILABLE TO OTHER BWR BUSINESS UNITS. BWR HAS ESTABLISHED POLICIES AND PROCEDURES TO MAINTAIN THE CONFIDENTIALITY OF CERTAIN NON-PUBLIC INFORMATION RECEIVED IN CONNECTION WITH EACH ANALYTICAL PROCESS.

BWR CLARIFIES THAT IT MAY HAVE BEEN PAID A FEE BY THE ISSUERS OR UNDERWRITERS OF THE INSTRUMENTS, FACILITIES, SECURITIES ETC., OR FROM OBLIGORS. BWR'S PUBLIC RATINGS AND ANALYSIS ARE MADE AVAILABLE ON ITS WEB SITE, WWW.BRICKWORKRATINGS.COM. MORE DETAILED INFORMATION MAY BE PROVIDED FOR A FEE. BWR'S RATING CRITERIA ARE ALSO GENERALLY MADE AVAILABLE WITHOUT CHARGE ON BWR'S WEBSITE.

THIS DISCLAIMER FORMS AN INTEGRAL PART OF THE RATINGS RATIONALES / RATING REPORTS OR OTHER PRESS RELEASES, ADVISORIES, COMMUNICATIONS ISSUED BY BWR AND CIRCULATION OF THE RATINGS WITHOUT THIS DISCLAIMER IS PROHIBITED.

BWR IS BOUND BY THE CODE OF CONDUCT FOR CREDIT RATING AGENCIES ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA AND IS GOVERNED BY THE APPLICABLE REGULATIONS ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA AS AMENDED FROM TIME TO TIME.

DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA

As per the provisions of SEBI NCS Regulations, a copy of this Placement Memorandum is not required to be filed with or submitted to SEBI for its review/ approval. Accordingly, this Placement Memorandum has not been filed with SEBI. The NCDs have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this Placement Memorandum. It is to be distinctly understood that this Placement Memorandum should not, in any way, be deemed or construed that the same has been cleared or vetted 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 this Placement Memorandum. The issue of NCDs being made on private placement basis, filing of this Placement Memorandum is not required with SEBI, however SEBI reserves the right to take up at any point of time, with the Company, any irregularities or lapses in this Placement Memorandum.

DISCLAIMER OF RESERVE BANK OF INDIA

The Company has obtained a certificate of registration dated April 16, 2015 bearing registration no. N -14.03136 issued by the RBI to carry on the activities of an NBFC under section 45 IA of the Reserve Bank of India Act, 1934. However a copy of this Placement Memorandum has not been filed with or submitted to the Reserve Bank of India ("RBI"). It is distinctly understood that this Placement Memorandum should not in any way be deemed or construed to be approved or vetted by RBI. RBI does not accept any responsibility or guarantee about the present position as to the financial soundness of the Issuer or for the correctness of any of the statements or representations made or opinions expressed by the Issuer and for discharge of liability by the Issuer. By issuing the aforesaid certificate of registration dated April 16, 2015 to the Issuer, RBI neither accepts any responsibility nor guarantee for the payment of any amount due to any investor in respect of the NCDs.

FORWARD LOOKING STATEMENTS:

All statements in this Placement Memorandum that are not statements of historical fact constitute "forward looking statements". Readers can identify forward-looking statements by terminology like "aim", "anticipate", "intend", "believe", "continue", "estimate", "expect", "may", "objective", "plan", "potential", "project", "pursue", "shall", "should", "will", "would" or other words or phrases of similar import. All statements regarding the Company's expected financial condition and results of operations, business, plans and prospects are forward looking statements. These forward-looking statements and any other projections contained in this Placement Memorandum (whether made by the Company or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance and achievements to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

The forward-looking statements contained in this Placement Memorandum are based on the beliefs of the management of the Company, as well as the assumptions made by and information available to management as at the date of this Placement Memorandum. There can be no assurance that the expectations will prove to be correct. The Company expressly disclaims any obligation or undertaking to release any updated information or revisions to any forward-looking statements contained herein to reflect any changes in the expectations or assumptions with regard thereto or any change in the events, conditions or circumstances on which such statements are based. Given these uncertainties, recipients are cautioned not to place undue reliance on such forward-looking statements. All subsequent written and oral forward-looking statements attributable to the Company are expressly qualified in their entirety by reference to these cautionary statements.

DISCLOSURES AS PER FORM PAS-4

Pursuant to Section 42 of Companies Act, 2013 and Rule 14(3) of Companies (Prospectus and Allotment of Securities) Rules, 2014

The table below sets out the disclosure requirements as provided in form PAS-4 and the relevant reference in this Placement Memorandum where these disclosures, to the extent applicable, have been provided.

Sr. No.	Particulars	Reference
Part- A	PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER	
1.	GENERAL INFORMATION:	
i.	Name, address, website and other contact details of the company indicating both registered office and corporate office;	Section II – Serial No. I(i)
ii.	Date of incorporation of the company;	Section II – Serial No. I(i)
iii.	Business carried on by the company and its subsidiaries with the details of branches or units, if any;	Section II – Serial No. I(ii)
iv.	Brief particulars of the management of the company;	Section II – Serial No. I(iii)
v.	Names, addresses, DIN and occupations of the directors;	Section II – Serial No. I(iii)(a)
vi.	Management’s perception of risk factors;	Section II – Serial No. I(iv)
vii.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of- i) statutory dues; ii) debentures and interest thereon; iii) deposits and interest thereon; iv) loan from any bank or financial institution and interest thereon.	Section II – Serial No. I(v)
viii.	Name, designation, address and phone number, email ID of the nodal/ compliance officer;	Section II – Serial No. I(vi)
ix.	Any Default in Annual filing of the Company under the Companies Act, 2013, or the rules made thereunder.	Section II – Serial No. I(vii)
2.	PARTICULARS OF THE OFFER:	
i.	Financial position of the Company for the last 3 financial years;	Section II – Serial No. II(i)
ii.	Date of passing of board resolution;	Section II – Serial No. II(ii)
iii.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	Section II – Serial No. II(ii)
iv.	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of shares or other securities to be issued;	Section II – Serial No. II(ii)
v.	Price at which the security is being offered including the premium, if any, along with justification of the price;	Section II – Serial No. II(ii)
vi.	Name and address of the valuer who performed valuation of the security offered and basis on which the price had been arrived at along with report of the registered valuer;	Section II – Serial No. II(ii)
vii.	Relevant date with reference to which the price has been arrived at;	Section II – Serial No. II(ii)
viii.	The class or classes of persons to whom the allotment is proposed to be made;	Section II – Serial No. II(ii)
ix.	Intention of promoters, directors or key managerial personnel to subscribe to the offer	Section II – Serial No. II(ii)
x.	The proposed time within which the allotment shall be completed;	Section II – Serial No. II(ii)

xi.	The names of the proposed allottees and the percentage of post private placement capital that may be held by them;	Section II – Serial No. II(ii)
xii.	The change in control, if any, in the company that would occur consequent to the private placement;	Section II – Serial No. II(ii)
xiii.	The number of persons to whom allotment on preferential basis / private placement/ rights issue has already been made during the year, in terms of number of securities as well as price;	Section II – Serial No. II(ii)
xiv.	The allotment proposed to be made for consideration other than cash together with justification for the valuation report of the registered valuer;	Section II – Serial No. II(ii)
xv.	Amount which the Company intends to raise by way of proposed offer of securities;	Section II – Serial No. II(ii)
xvi.	Terms of raising of securities: (a) duration, if applicable; (b) rate of dividend; (c) rate of interest; (d) mode of payment (e) repayment;	Section II – Serial No. II(ii)
xvii.	Proposed time schedule for which the private placement offer cum application letter is valid;	Section II – Serial No. II(ii)
xviii.	Purposes and objects of the offer;	Section II – Serial No. II(ii)
xix.	Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of such objects;	Section II – Serial No. II(ii)
xx.	Principle terms of assets charged as security, if applicable;	Section II – Serial No. II(ii)
xxi.	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations;	Section II – Serial No. II(ii)
xxii.	The pre-issue and post-issue shareholding pattern of the Company;	Section II – Serial No. II(iii)
3.	MODE OF PAYMENT FOR SUBSCRIPTION: • Cheque; or • Demand Draft; or • Other banking channels.	Section II – Serial No. III
4.	DISCLOSURE WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION, ETC.:	
i.	Any financial or other material interest of the directors, promoters or key managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	Section II – Serial No. IV
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the offeree Company during the last three years immediately preceding the year of the issue of the private placement offer cum application letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Section II – Serial No. IV
iii.	Remuneration of directors (during the current year and last three financial years)	Section II – Serial No. IV
iv.	Related party transactions entered during the last three financial years immediately preceding the year of issue of private placement offer cum application letter including with regard to loans made or, guarantees given or securities provided	Section II – Serial No. IV
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five financial years immediately preceding the year of issue of private placement offer cum application letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken	Section II – Serial No. IV

	and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 in the last three years immediately preceding the year of issue of private placement offer cum application letter in the case of Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the private placement offer cum application letter and if so, section-wise details thereof for the Company and all of its subsidiaries;	Section II – Serial No. IV
vii.	Details of acts of material frauds committed against the company in the last three years, if any, and if so, the action taken by the company.	Section II – Serial No. IV
5.	FINANCIAL POSITION OF THE COMPANY:	
i.	The capital structure of the company in the following manner in a tabular form- a. the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value); b. size of the present offer; c. Paid-up capital (i) after the offer (ii) after conversion of convertible instruments (if applicable) d. share premium account (before and after the offer)	Section II – Serial No. V
ii.	Details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration Provided that the issuer company shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of the private placement offer cum application letter separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	Section II – Serial No. V
iii.	Profits of the company, before and after making provision for tax, for the three financial years immediately preceding the date of issue of private placement offer cum application letter;	Section II – Serial No. V
iv.	Dividends declared by the company in respect of the said three financial years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)	Section II – Serial No. V
v.	A summary of the financial position of the company as in the three audited balance sheets immediately preceding the date of issue of private placement offer cum application letter;	Section II – Serial No. V
vi.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of private placement offer cum application letter	Section II – Serial No. V
vii.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company.	Section II – Serial No. V
Part-B	APPLICATION FORM	
6.	A DECLARATION BY THE DIRECTORS THAT a) the company has complied with the provisions of the Act and the rules made thereunder; b) the compliance with the Act and the rules does not imply that payment of dividend or interest or repayment of debentures, if applicable, is guaranteed by the Central Government;	Section IV – Serial No. XXX

	c) the monies received under the offer shall be used only for the purposes and objects indicated in the offer letter.	
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SECTION I-RISK FACTORS

An investment in NCDs involves risks. These risks may include, among others, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Some of these are briefly discussed below. Potential investors and subsequent purchasers of the NCDs should be experienced with respect to transactions in instruments such as the NCDs. Potential investors and subsequent purchasers of the NCDs should understand the risks associated with an investment in the NCDs and should only reach an investment decision after careful consideration, with their legal, tax, accounting and other advisers, of (a) the suitability of an investment in the NCDs in the light of their own particular financial, tax and other circumstances and (b) the information set out in this Placement Memorandum.

The NCDs may decline in value and marketability and Investors should note that, whatever their investment in the NCDs, the cash amount due at maturity will be equivalent to the face value of the NCDs. More than one risk factor may have simultaneous effect with regard to the NCDs such that the effect of a particular risk factor may not be predictable. In addition, more than one risk factor may have a compounding effect which may not be predictable. No assurance can be given as to the effect that any combination of risk factors may have on the value of the NCDs.

Internal Risks and Risks Associated with our Business

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

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

Amongst various measures announced to mitigate the economic impact from the COVID -19 pandemic, the Reserve Bank of India issued circulars dated March 27, 2020, April 17, 2020 and May 23, 2020 (the “**RBI circulars**”) allowing lending institutions to offer a moratorium to customers on payment of instalments falling due between March 1, 2020 and August 31, 2020. Our Company has reviewed these RBI Circulars and implemented certain policies and procedures in order to implement these measures to its customers. Given that the COVID -19 Pandemic and its impact remain a rapidly dynamic situation, the actual impact on our Company’s loans and advances will depend on future developments, including, among other things, any new information concerning the severity of the COVID -19 pandemic and any action to contain its spread or mitigate its impact. While, our Company continue to monitor the developments of the COVID-19 situation closely, assess and respond proactively to minimize any adverse impacts on the financial position, cash flows and operating results of our Company, it is possible that the Company’s business, financial condition and results of operations could be adversely affected due to the COVID-19 pandemic. If the COVID-19 situation persists or worsens, it may adversely impact our Company’s business and the financial condition. Additionally, on May 5, 2021 the RBI notified the “Resolution Framework – 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses” (the “Resolution Framework 2.0”), providing a window for lenders to implement resolution plans with the objective of alleviating the potential stress to individual borrowers and small businesses.

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

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

Our Company has in the past faced certain instances of customers defaulting and/or failing to repay dues in connection with loans or finance provided by our Company. Our Company had in certain instances initiated legal proceedings to recover the dues from its delinquent customers. For further details in relation to litigations, see Annexure III. Customer defaults could also adversely affect our Company's levels of NPAs and provisions made for its NPAs, which could in turn adversely affect our Company's operations, cash flows and profitability. Our Company's gross NPAs as at March 31, 2021, March 31, 2020 and March 31, 2019 was ₹620.20 crores, ₹347.37 crores and ₹ 197.00 crores, respectively. As at March 31, 2021, our gross NPAs as a percentage of our AUM was 4.49%, and as at March 31, 2020, and March 31, 2019, our gross NPAs as a percentage of our AUM was 2.56% and 1.12% respectively. As at March 31, 2021, our net NPAs (which reflect our gross NPAs less provisions for ECL on NPAs (Stage 3)) as a percentage of our AUM was 2.93%, and as at March 31, 2020 our net NPAs (which reflect our gross NPAs less provisions for ECL on NPAs (Stage 3)) as a percentage of our AUM was 2.00% and as at March 31, 2019 our net NPAs (which reflect our gross NPAs less provisions ECL on NPAs (Stage 3)) was 0.84%.

Moreover, as our Company's loan portfolio as per Ind AS matures, our Company may experience increased defaults in principal or interest repayments. Thus, if our Company is not able to control or reduce its level of NPAs, the overall quality of its loan portfolio as per Ind AS may deteriorate and its results of operations may be adversely affected. Our Company's Stage 3 Provision was ₹215.40 crores as at March 31, 2021, 76.66 crores as at March 31, 2020, and ₹ 48.35 crores as at March 31, 2019 and the provisioning coverage ratio (i.e. on Gross NPA for which provisions has been created) was 34.73 %, 22.07% and 24.54%, respectively, during these periods, which may not be comparable to that of other similar financial institutions. Moreover, there can be no assurance that there will be no further deterioration in our Company's provisioning coverage ratio or that the percentage of NPAs that our Company will be able to recover will be similar to its past experience in recovering its NPAs. In the event of any further deterioration in the quality of our Company's loan portfolio as per Ind AS, there could be further adverse impact on its results of operations. Defaults for a period of more than 90 days result in such loans being classified as "non-performing". If our Company is unable to effectively monitor credit appraisal, portfolio monitoring and recovery processes and the related deterioration in the credit quality of its loan portfolio as per Ind AS, the proportion of NPAs in its loan portfolio as per Ind AS could increase, which may, in turn, have a material adverse effect on our Company's business, financial condition, results of operation and future financial performance.

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

We have experienced consistent growth in our business in the past. However, we cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to grow further, or at the same rate. For example, our revenue from operations for the Fiscal year 2021 decreased by 26.07%, compared to Fiscal year 2020. Our AUM for the Fiscal year 2021 increased by 1.83%, compared to Fiscal year 2020. Our profit for the year was ₹139.04 crores for Fiscal year 2021 and profit for the period was ₹93.62 crores in the three month period ended June 30, 2021.

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

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

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

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

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

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

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

We may be required to devote management and financial resources in the defense or prosecution of such legal proceedings. If a significant number of these disputes are determined against our Company and if our Company is required to pay all or a portion of the disputed amounts or if we are unable to recover amounts for which we

have filed recovery proceedings, there could be a material and adverse impact on our reputation, business, financial condition and results of operations.

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

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

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

6. ***Our top 20 borrowers have an exposure of 30.72 % of our total advances as on March 31, 2021. Our inability to maintain relationship with such customers or any default and non-payment in future or credit losses of our single borrower or group exposure where we have a substantial exposure could materially and adversely affect our business, future financial performance and results of operations.***

Our concentration of advances with our top 20 borrowers is 30.72% of our total advances as on March 31, 2021. Our business and results of operations would be adversely affected if we are unable to maintain or further develop relationships with our significant customers. Our business and results of operations would majorly depend upon the timely repayment of the interest and principal from these large borrowers. We cannot assure you that we will not experience any delay in servicing of the loan or that we will be able to recover the interest and the principal amount of the loan. Any such delay or default will adversely affect our income from operation and thereby our profitability. In case we are unable to recover the complete the loan disbursed or any part of thereof, and the collateral is also not sufficient to recover our loan, our financial conditions may be adversely affected. We are dedicated to earning and maintaining the trust and confidence of our customers, and we believe that the good reputation created thereby, and inherent in our brand name, is essential to our business. As such, any damage to our reputation could substantially impair our ability to maintain or grow our business. There can be no assurance that we will be able to maintain the historic levels of business from these customers or that we will be able to replace these customers in case we lose any of them. The loss of any significant customer could have a material adverse effect on our results of operations. Moreover, failure to maintain sufficient credit assessment policies, particularly for small and medium enterprise borrowers, could adversely affect our credit portfolio, which could have a material and adverse effect on our results of operations and/ or financial condition.

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

Our operations are particularly vulnerable to volatility and mismatch in interest rates. Our net interest income and profitability directly depend on the difference between the average interest rate at which we lend and the average interest rate at which we borrow. The cost of our funding and the pricing of our loan products are determined by a number of factors, many of which are beyond our control, including the RBI's monetary policies, inflationary expectations, competition, domestic and international economic and political conditions and other factors. These factors could affect the interest rates charged on interest-earning assets differently than the interest rates paid on interest bearing liabilities. While any reduction in our cost of funds may be passed on to our customers, we may not have the same flexibility in passing on any increase in our cost of funds to our customers, thereby affecting our net interest income. Similarly, competition pressures may require

us to reduce our cost of lending to our customers without a proportionate reduction in our cost of borrowing from our lenders. Further, if we do not pass on the reduced interest rates to our borrowers, it may result in some of the borrowers prepaying the loan to take advantage of the reduced interest rate environment, thereby impacting our growth and profitability. If interest rates rise, some or all of our lenders may increase the interest rates at which we borrow resulting in an increase in our effective cost of funds. We may or may not be able to pass on the increased interest rates to our borrowers simultaneously with the increase in our borrowing rates, or at all, thereby affecting our net interest income. Further, an increase in interest rates may result in some of our borrowers prepaying their loans by arranging funds from other sources, thereby impacting our growth and profitability. Additionally, an increase in general interest rates in the economy could reduce the overall demand for finance and impact our growth. There can be no assurance that we will be able to adequately manage our interest rate risk in the future, and if we are unable to do so, this could have an adverse effect on our net interest income, which could in turn have a material adverse effect on our business, results of operations and financial condition. We may also face potential liquidity risks due to mismatch in the maturity of our assets and liabilities. As is typical for a company in the business of lending, a portion of our funding requirements is met through short and medium-term funding sources such as bank loans, non-convertible debentures, commercial paper, cash credit or overdraft facilities. Our inability to obtain additional credit facilities or renew our existing credit facilities for matching tenure of our liabilities in a timely and cost effective manner or at all, may lead to mismatches between our assets and liabilities, which in turn may adversely affect our operations and financial performance.

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

Our Company's outstanding borrowings (Debt securities, Borrowings (other than debt securities) and Subordinated liabilities) were ₹ 7,823.05 crores, as at March 31, 2021. We have entered into agreements with certain banks and financial institutions for short-term and long-term borrowings. Some of our agreements require us to take the consent from our lenders for undertaking various actions, including, for:

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

Our Company has applied to its lenders and received all required consents in relation to the Issue. Additionally, some of our loan agreements also require us to maintain certain periodic financial ratios. Some of our financing agreements also contain cross-default and cross-acceleration clauses, which are triggered in the event of default by our Company under the respective financing agreements. Also, our Company has certain loan facilities which the lenders can recall without any cause.

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

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

maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all.

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

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

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

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

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

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

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

In addition, our branches are required to be registered under the relevant shops and establishments laws of the states in which they are located. The shops and establishment laws regulate various employment conditions,

including working hours, holidays and leave and overtime compensation. If we fail to obtain or retain any of these approvals or licenses, or renewals thereof, in a timely manner, or at all, our business may be adversely affected. If we fail to comply, or a regulator claims we have not complied, with any of these conditions, our certificate of registration may be suspended or cancelled and we shall not be able to carry on such activities.

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

Our Company's secured loan portfolio was ₹ 9,596.36 crores as at March 31, 2021, which represented 77.12% of the aggregate gross value of our Company's total Loan Portfolio, and our Company's secured loan portfolio was ₹9,534.34 crores as at March 31, 2020, which represented 80.65%, of the aggregate gross value of our Company's total loan portfolio as at March 31, 2020. Our Company's unsecured loan portfolio was ₹2,846.92 crores as at March 31, 2021, which represented 22.88% of the aggregate gross value of our Company's total loan portfolio, and our Company's unsecured loan portfolio was ₹2,288.26 crores as at March 31, 2020, which represented 19.35% of the aggregate gross value of our Company's total Loan Portfolio as at March 31, 2020. The value of collaterals is dependent on various factors, including (i) prevailing market conditions, (ii) the general economic and political conditions in India, (iii) growth of the stock markets and real estate sector in India and the areas in which our Company operates, and (iv) any change in statutory and/or regulatory requirements.

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

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

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

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

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

Our Company's total outstanding borrowing, comprising debt securities, borrowing (other than debt securities) and Subordinated liabilities was ₹7,823.05 crores as at March 31, 2021, ₹8,878.06 crores as at March 31, 2020

and ₹10,806.62 crores as at March 31, 2019. In order to make these payments, our Company will either need to refinance this debt, which may prove to be difficult in the event of volatility in the credit markets, or alternatively, raise equity capital or generate sufficient revenue to retire the debt. There can be no assurance that our Company's business will generate sufficient cash to enable it to service its existing debt or to fund its other liquidity needs.

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

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

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

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

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

Our Company's outstanding borrowings (Debt securities, Borrowings (other than debt securities) and Subordinated liabilities) were ₹7,823.05 crores, as at March 31, 2021, and ₹7,672.57 crores as at June 30, 2021. We have entered into agreements with certain banks and financial institutions for short-term and long-term borrowings. Some of our agreements require us to take the consent from our lenders for undertaking various actions, including, for:

- entering into any schemes of mergers, amalgamations, compromise or reconstruction.
- enter into any borrowing arrangement with any bank, financial institution, company or person.
- changing our registered office.
- effecting any change in our ownership or control.
- effecting any change in our capital structure.
- any material changes in our management or business.
- any amendments to our Memorandum or Articles of Association.
- undertaking guarantee obligations on behalf of any third party.
- declare any dividends to our shareholders unless amounts owed to the lenders have been paid or satisfactory provisions made thereof.
- transfer or dispose of any of our undertakings.
- create or permit to subsist any security over any of its assets.

- entering into any agreements whereby our income or profits are or may be shared with any other person.
- revaluing our assets; and
- entering into any long-term contracts that significantly affect us.

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

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

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

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

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

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

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

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

The sector in which our Company operates in is highly competitive and our Company faces significant competition from banks and other NBFCs. Many of its competitors are large institutions, which may have larger customer base, funding sources, branch networks and capital compared to our Company. Certain of our Company's competitors may be more flexible and better-positioned to take advantage of market opportunities. In particular, private banks in India and many of our Company's competitors may have operational advantages in terms of access to cost-effective sources of funding and in implementing new technologies and rationalising branches as well as the related operational costs. As a result of this increased competition, loans are becoming increasingly standardised and terms such as variable (or floating) rate interest options, lower processing fees

and monthly reset periods are becoming increasingly common in the Indian financial sector. This competition is likely to intensify further as a result of regulatory changes and liberalisation. These competitive pressures affect the industry in which our Company operates in as a whole, and our Company's future success will depend, to a large extent, on its ability to respond in an effective and timely manner to these competitive pressures. There can be no assurance that our Company will be able to react effectively to these or other market developments or compete effectively with new and existing players in the increasingly competitive financial sector.

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

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

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

In recent years, our Company's growth has been fairly substantial. The AUM of our Company increased by 1.83% from Fiscal year 2020 to Fiscal year 2021. Our Company's growth strategy includes growing our Company's personal Loan Book and retail customer base. There can be no assurance that our Company will be able to sustain its growth plan successfully or that our Company will be able to expand further or diversify its portfolio of products. Continuous expansion increases the challenges involved in financial management, recruitment, training and retaining high quality human resources, preserving our Company's culture, values and entrepreneurial environment as well as developing and improving our Company's internal administrative infrastructure. Our Company also faces a number of operational risks in executing its growth strategy.

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

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

We have long-term credit ratings of "AA; Stable" from CRISIL and "AA; Negative" from CARE (for the long-term loans and non-convertible debentures) and "AA+/Negative" from Brickwork Ratings (for our long-term loans and non-convertible debentures). Additionally, we have a credit rating of "AA; Stable" from CRISIL and "AA; Negative" from CARE Ratings and "AA+/Negative" from Brickwork Ratings in relation to our subordinated debt programme. Our ratings signify high degree of safety, regarding timely servicing of financial obligations and low credit risk. We believe that our ratings result in a lower cost of funds for us. Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis, which may adversely affect our business, financial condition, results of operations and cash flows. Further, any downgrade in our credit ratings may also trigger an event of default or acceleration of certain of our borrowings. While our Company's borrowing costs have been competitive in the past due to its

ability to raise debt products, credit rating and our Company's asset portfolio, our Company may not be able to offer similar competitive interest rates for its loans if our Company is unable to access funds at an effective cost that is comparable to or lower than its competitors. This may adversely impact our Company's business and results of operations.

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

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

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

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

Our Company's secured loan portfolio was ₹9,596.36 crores and ₹9,534.34 crores as at March 31, 2021 and March 31, 2020, respectively and represented 77.12% and 80.65%, respectively, of the aggregate gross value of our Company's total loan book as of those dates. Our Company's unsecured loan portfolio was ₹2,846.92 crores and ₹2,288.26 crores as at March 31, 2021 and March 31, 2020, respectively, and represented 22.88% and 19.35%, respectively, of the aggregate gross value of our Company's total loan book as of those dates. The value of collaterals is dependent on various factors, including (i) prevailing market conditions, (ii) the general economic and political conditions in India, (iii) growth of the stock markets and real estate sector in India and the areas in which our Company operates, and (iv) any change in statutory and/or regulatory requirements.

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

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

Any default in the repayment of the outstanding credit obligations by our Company's customers may expose it to losses. A failure or delay to recover the loan value from sale of collateral security could expose our Company to potential losses. Any such losses could adversely affect our Company's financial condition and results of operations. Furthermore, the process of litigation to enforce our Company's legal rights against

defaulting customers in India is generally a slow and potentially expensive process. Accordingly, it may be difficult for our Company to recover amounts owed by defaulting customers in a timely manner or at all.

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

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

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

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

Our growth strategy includes increasing the number of loans we extend and expanding our customer base. We expect that our growth strategy will place significant demands on our management, financial and other resources. While we intend to pursue existing and potential market opportunities, our inability to manage our business plan effectively and execute our growth strategy could have an adverse effect on our operations, results, financial condition and cash flows.

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

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

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

As our Company is an NBFC-ND-SI in terms of applicable RBI regulations, its liquidity and ongoing profitability are primarily dependent upon its timely access to, and the costs associated with raising capital. Our Company's business is significantly dependent on funding from the debt capital markets and commercial borrowings. The demand for such funds is competitive and our Company's ability to obtain funds at competitive rates will depend on various factors including our Company's ability to maintain positive credit ratings. Ratings reflect a rating agency's opinion of our Company's financial strength, operating performance, strategic position and ability to meet its obligations. Thus, any downgrade of our Company's credit ratings would increase borrowing costs and constrain its access to capital and debt markets. Please see "Any downgrade in our credit ratings may increase interest rates for refinancing our outstanding debt, which would

increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis". A reduction or withdrawal of the ratings may also adversely affect the market price and liquidity of the non-convertible debentures and our Company's ability to access the debt capital markets. As a result, this would negatively affect our Company's net interest margin and its business. In addition, any downgrade of our Company's credit ratings could increase the possibility of additional terms and conditions being imposed on any additional financing or refinancing arrangements in the future. Any downgrade of our Company's credit ratings could also accelerate the repayment of certain of our Company's borrowings in accordance with the applicable covenants of its borrowing arrangements. Any such adverse development could adversely affect our Company's business, financial condition and results of operations.

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

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

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

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

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

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

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

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

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

A significant portion of our Company's funding requirements is met through short-term and medium-term funding sources such as bank loans, working capital demand loans, cash credit, short term loans and commercial paper. However, a significant portion of our Company's assets (such as loans to its customers) have maturities with longer terms than its borrowings. Our Company may face potential liquidity risks due to varying periods over which our Company's assets and liabilities mature. Moreover, raising long-term

borrowings in India has historically been challenging. Our Company's inability to obtain additional credit facilities or renew its existing credit facilities in a timely and cost-effective manner to meet its maturing liabilities, or at all, may lead to gaps and mismatches between its assets and liabilities, which in turn may adversely affect our Company's liquidity position, and in turn, its operations and financial performance.

We regularly monitor our funding levels to ensure we are able to satisfy the requirement for loan disbursements and maturity of our liabilities. As is typical for NBFCs, we maintain diverse sources of funding and liquid assets to facilitate flexibility in meeting our liquidity requirements. Liquidity is provided principally by long-term borrowings from banks and mutual funds, short and long-term general financing through the domestic debt markets and retained earnings, proceeds from securitization and equity issuances. Our liquidity position may be adversely affected and we may be required to pay higher interest rates in order to meet our liquidity requirements in the future, which could have a material adverse effect on our business and financial results.

The following table describes the ALM of our Company as on March 31, 2021:

	(₹ in crores)								
Particulars	1 to 30/31 days (one month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	over 3 to 5 years	over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	409.78	313.31	270.37	674.55	1,185.43	5,831.61	3,595.83	987.96	13,268.84
Investments	16.61	-	-	21.46	15.45	911.44	-	23.33	988.29
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Borrowings	27.11	8.38	231.38	2,948.78	891.62	2,994.88	210.28	510.62	7,823.05
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

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

Our Company's capital adequacy ratio computed on the basis of the applicable RBI norms was 34.48% and 32.44%, as at March 31, 2021 and March 31, 2020, respectively, with Tier I Capital comprising 31.44% and 29.54%, as at March 31, 2021 and March 31, 2020, respectively. The total capital adequacy ratio comprises 3.04% of Tier II Capital as at March 31, 2021. If our Company continues to grow its loan portfolio and asset base, it will be required to raise additional Tier I and Tier II Capital in order to continue to meet applicable capital adequacy ratios with respect to its business. There can be no assurance that our Company will be able to raise adequate additional capital in the future on terms favourable to our Company, in a timely manner, or at all and this may adversely affect the growth of our Company's business.

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

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

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

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

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

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

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

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

To the extent our assessments, assumptions or estimates prove inaccurate or not predictive of actual results, we could suffer higher than anticipated losses. See “*High levels of customer defaults and the resultant non-performing assets could adversely affect our Company's business, financial condition, results of operations and future financial performance*”.

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

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

Our business and operations largely depend on the continued services and performance of our senior management and other key employees and our ability to attract and retain such personnel. Considering the compact nature of our management team, our ability to identify, recruit and retain our employees is critical. As common to the non-banking finance industry we also face a continuing challenge to recruit and retain a sufficient number of suitably skilled personnel, knowledgeable in sectors to which we lend. There is significant competition in India for such personnel, and it may be difficult to attract, adequately compensate and retain personnel we need in the future. Inability to attract and retain appropriate and adequate managerial personnel, or the loss of key personnel could adversely affect our business, prospects, results of operations, financial condition. We will need to recruit new employees, who will have to be trained and integrated into our operations. We will also have to train existing employees to adhere properly to internal controls and risk management procedures. Failure to train and motivate our employees properly may result in an increase in employee attrition rates, require additional hiring, erode the quality of customer service, divert management resources, increase our exposure to high-risk credit and impose significant costs on us. Hiring and retaining qualified and skilled managers are critical to our future, as our business model depends on our credit-appraisal and asset valuation mechanism, which are personnel-driven operations. The loss of the services of our senior members of our management team and key employees could seriously impair our ability to continue to manage and expand our business efficiently and adversely affect our business, results of operations and financial

condition. Further, we also do not maintain any key man insurance policies, and as a result, we may be unable to compensate for the loss of service of our key personnel.

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

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

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

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

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

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

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

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

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

In addition, some of our Company's transactions expose it to the risk of misappropriation or unauthorised transactions by its employees and fraud by its employees, agents, customers or third parties. Our Company's insurance policies, security systems and measures undertaken to detect and prevent these risks may not be sufficient to prevent or deter such activities in all cases which may adversely affect our Company's operations and profitability. Furthermore, our Company may be subject to regulatory or other proceedings in connection with any unauthorised transaction, fraud or misappropriation by its representatives and employees which could

adversely affect its goodwill. In addition, some of our Company's collaterals which were provided for the loans may not be adequately insured and this may expose our Company to a loss of value for the collateral. As a result, our Company may not be able to recover the full value of the collateral. Any loss of value of the collateral may have a material adverse effect on our Company's profitability and business operations.

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

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

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

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

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

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

In deciding whether to extend credit or enter into other transactions with customers and counterparties, our Company may rely on information furnished to it by or on behalf of customers and counterparties, including financial statements and other financial information. Our Company may also rely on certain representations in relation to the accuracy and completeness of that information as well as independent valuation reports and title reports with respect to the collateral. In addition, our Company may rely on reports of the independent auditors in relation to the financial statements. Moreover, our Company has implemented Know Your Customer ("KYC") checklist and other measures to prevent money laundering. There can be no assurance that information furnished to our Company by potential customers and any analysis of such information or the independent checks and searches will return accurate results, and our Company's reliance on such information may affect its judgement of the potential customers' credit worthiness, as well as the value of and title to the collateral, which may result in our Company having to bear the risk of loss associated with such

misrepresentations. In the event of the ineffectiveness of these systems, our Company's reputation, business and results of operations may be adversely affected.

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

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

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

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

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

43. ***We do not own a majority of our branch offices including our registered office and corporate offices. Any termination or failure on our part to renew our Lease/Rent Agreements in a favourable, timely manner, or at all, could adversely affect our business and results of operations. Moreover many of the lease/rent agreements entered into by our Company may not be duly registered or adequately stamped.***

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

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

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

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

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

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

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

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

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

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

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

48. ***The Statutory Auditors' examination reports on the Reformatted Ind AS Financial Information draw attention to the emphasis of matter paragraph included in their report dated May 19, 2021 on the Audited Standalone Ind AS Financial Statements as at and for the year ended March 31, 2021 .***

The Statutory Auditors' examination report on the Reformatted Financial Statements included as part of this Placement Memorandum, draw attention to the emphasis of matter pertaining to the effects of uncertainties relating to COVID-19 pandemic outbreak on our operations that are dependent upon future developments, and the impact thereof on the impairment assessment of loans to customers outstanding as at March 31, 2021 and that such estimates may be affected by the severity and duration of the pandemic.

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

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

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

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

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

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

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

While we have been following the guidelines of the RBI on income recognition, if the interpretation of the income tax department is different to ours, we may be required to bear additional tax liabilities for previous

assessment years, as well as an increased tax liability in the future as a result of our income being recognized by the income tax department at a higher level than the income offered for taxation under the guidelines set out by the RBI.

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

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

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

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

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

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

53. *Our Company’s success depends, to a large extent, upon its management team and key personnel and its ability to attract, train and retain such persons. Our Company’s inability to attract and retain talented professionals or the loss of key management personnel may have an adverse impact on its business and future financial performance.*

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

the recent financial periods. While our Company has an incentive structure, our Company's inability to attract and retain talented professionals or the loss of key management personnel may have an adverse impact on our Company's business and future financial performance.

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

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

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

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

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

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

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

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

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

External Risks

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

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

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

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

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

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

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

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

The Competition Act, 2002 was enacted for the purpose of preventing practices having an adverse effect on competition in India and has mandated the CCI to separate such practices. Under the Competition Act, any arrangement, understanding or action whether or not formal or informal which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties. Further, any agreement

among competitors which directly or indirectly involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of customers in the relevant market is presumed to have an appreciable adverse effect on competition in the relevant market in India and shall be void.

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

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

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

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

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

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

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

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

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

We are exposed to the risks of the Indian financial system which may be affected by the financial difficulties faced by certain Indian financial institutions because the commercial soundness of many financial institutions may be closely related as a result of credit, trading, clearing or other relationships. This risk, which is sometimes referred to as "systemic risk", may adversely affect financial intermediaries, such as clearing

agencies, banks, securities firms and exchanges with whom we interact on a daily basis. Any such difficulties or instability of the Indian financial system in general could create an adverse market perception about Indian financial institutions and banks and adversely affect our business, results of operations and financial condition. As the Indian financial system operates within an emerging market, it faces risks of a nature and extent not typically faced in more developed economies, including the risk of deposit runs notwithstanding the existence of a national deposit insurance scheme.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Risks Related to the NCDs

1. **The NCD Holders may not be able to recover, on a timely basis or at all, the full value of the outstanding amounts and/or the interest accrued thereon in connection with the NCDs. Failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose the holders to a potential loss.**

Our ability to pay interest accrued on the NCDs and/or the principal amount outstanding from time to time in connection therewith would be subject to various factors inter-alia including our financial condition, profitability and the general economic conditions in India and in the global financial markets. We cannot assure you that we would be able to repay the principal amount outstanding from time to time on the NCDs and/or the interest accrued thereon in a timely manner or at all. Although our Company will create appropriate security in favour of the Debenture Trustee for the NCD Holders on the assets adequate to ensure 100% asset cover on the outstanding amount of the NCDs, and it will be the duty of the Debenture Trustee to monitor that the security is maintained, however, the realizable value of the assets charged as security, when liquidated, may be lower than the outstanding principal and/or interest accrued thereon in connection with the NCDs and shall depend on the market scenario prevalent at the time of the enforcement of the security. A failure or delay to recover the expected value from a sale or disposition of the assets charged as security in connection with the NCDs could expose you to a potential loss.

2. **Any downgrading in credit rating of our NCDs may affect the value of NCDs and thus to raise further debt.**

We have long-term credit ratings of "AA; Stable" from CRISIL and "AA; Negative" from CARE (for the long-term loans and non-convertible debentures) and "AA+/Negative" from Brickwork Ratings (for our long-term loans and non-convertible debentures). Additionally, we have a credit rating of "AA; Stable" from CRISIL and "AA; Negative" from CARE Ratings and "AA+/Negative" from Brickwork Ratings in relation to our subordinated debt programme. Our ratings signify high degree of safety, regarding timely servicing of financial obligations and low credit risk. Any downgrade of our credit ratings would increase borrowing costs and constraint our access to capital and debt markets and, as a result, would negatively affect our net interest margin and our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any additional financing or refinancing arrangements in the future. There is a possibility of increase in forced sale of our NCDs by the investors resulting in sharp decline in their market price. Any such adverse development could adversely affect our business, financial condition, cash flows and results of operations.

3. There are other lenders and debenture trustees who have pari passu charge over the Security provided.

There are other lenders and debenture trustees of our Company who have pari passu charge over the Security provided for this Issue. While our Company is required to maintain 100% asset cover for the outstanding amount of the NCDs and interest thereon, upon our Company's bankruptcy, winding-up or liquidation, the other lenders and debenture trustees will rank pari passu with the NCD Holders and to that extent, may reduce the amounts recoverable by the NCD Holders.

4. Changes in interest rate may affect the price of our NCDs. Any increase in rate of interest, which frequently accompany inflation and/or a growing economy, are likely to have a negative effect on the price of our NCDs.

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

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

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

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

We intend to use the proceeds of the Issue, after meeting the expenditures of and related to the Issue, for purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company and for general corporate purposes in accordance with applicable law. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. The management will have significant flexibility in applying the proceeds received by us from the Issue. The utilisation details of the proceeds of the Issue shall be adequately disclosed as per applicable law. Further, as per the provisions of the SEBI NCS Regulations, we are not required to appoint a monitoring agency and therefore no monitoring agency has been appointed for the Issue.

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

In accordance with applicable law and practice, permissions for listing and trading of the NCDs issued pursuant to this Issue will not be granted until after the NCDs have been issued and allotted. Approval for listing and trading will require all relevant documents to be submitted and carrying out of necessary procedures with the Stock Exchanges. There could be a failure or delay in listing the NCDs on the Stock Exchanges for reasons unforeseen. If permission to deal in and for an official quotation of the NCDs is not granted by the Stock Exchanges, our Company will forthwith repay, with interest, all monies received from the Applicants in accordance with prevailing law in this context, and pursuant to this Placement Memorandum. There is no assurance that the NCDs issued pursuant to this Issue will be listed on Stock Exchanges in a timely manner, or at all.

8. We are not required to maintain DRR.

Our NCDs are proposed to be listed on BSE Limited and National Stock Exchange of India Limited. Pursuant to Ministry of Corporate Affairs notification dated August 16, 2019, amending Section 71 of the Companies Act, 2013 and Rule 18 (7) of the Companies (Share Capital and Debentures) Rules, 2014, we are not required

to maintain DRR for debentures issued through a public issue. Hence, investors shall not have the benefit of reserve funds to cover the re-payment of the principal and interest on the NCDs. However, in accordance with section 71 of the Companies Act, 2013, read with Rule 18 of Companies (Share Capital and Debentures) Rules, 2014, as amended, we 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 and which shall not at any time fall below 15% of the amount of its debentures maturing during the year ending on the 31st day of March, of the next year, 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 utilized for any purpose other than for the 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. If we do not generate adequate profits, we may not be able to deposit or invest the prescribed percentage of the amount of the NCDs maturing the subsequent year.



9. There may be no active market for the NCDs on the platform of the Stock Exchanges. As a result, the liquidity and market prices of the NCDs may fail to develop and may accordingly be adversely affected.

There can be no assurance that an active market for the NCDs will develop or at what price will the NCDs trade in the secondary market or whether such market will be liquid or illiquid. If an active market for the NCDs fails to develop or be sustained, the liquidity and market prices of the NCDs may be adversely affected. The market price of the NCDs would depend on various factors, inter alia, including (i) the interest rate on similar securities available in the market and the general interest rate scenario in the country, (ii) the market for listed debt securities, (iii) general economic conditions, and, (iv) our financial performance, growth prospects and results of operations. In addition, the trading of the NCDs may be impacted by temporary exchange closures, broker defaults, settlement delays, strikes by brokerage firm employees and disputes, among others. The aforementioned factors may adversely affect the liquidity and market price of the NCDs, which may trade at a discount to the price at which you purchase the NCDs and/or be relatively illiquid.

SECTION II: INFORMATION RELATING TO THE COMPANY

I. General Information:

(i) General information in relation to the Company and name and address of the following:

Name	Indiabulls Commercial Credit Limited
Registered Office	M-62 & 63, First Floor Connaught Place New Delhi – 110001 Telephone No.: +91 11 4353 2950 Facsimile No.: +91 4353 2947 Email: helpdesk@indiabulls.com
Corporate Office	“Indiabulls House”, Tower I, 18th Floor One International Centre, S. B. Marg Elphinstone Road, Mumbai 400 013 Telephone No.: +91 22 6189 1400 Facsimile No.: +91 22 6189 1416 Email: helpdesk@indiabulls.com Registration No.: 150632 Corporate Identification Number: U65923DL2006PLC150632 Legal Entity Identifier: 33580063XY5DJRPSF215 PAN No.: AABCI5559G
Website	http://www.indiabullsccommercialcredit.com
Date of incorporation	July 7, 2006
Chief Finance Officer (CFO)	Mr. Ashish Kumar Jain
Debenture Trustee to the Issue	 Beacon Trusteeship Limited 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East), Mumbai 400 051 Telephone No: +91 22 2655 8759 Email: compliance@beacontrustee.co.in Website: www.beacontrustee.co.in Contact Person: Veena Nautiyal
Registrar to the Issue	 Kfin Technologies Private Limited Address: Selenium Tower B, Plot No – 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad Rangareddy, Telangana– 500 032 Tel: +91 40 6716 2222 Facsimile: +91 40 2343 1551 Email: einward.ris@kfintech.com Website: www.kfintech.com Contact person: Mr. M Murali Krishna
Credit Rating Agency for the Issue	 Brickwork Ratings India Private Limited Address: 3rd Floor, Raj Alkaa Park, Kalena Agrahara, Bannerghatta Road, Bengaluru -560076 Tel: +91-80-40409940 Email: CO@brickworkratings.com Website: www.brickworkratings.com Contact person: Mr. Ajanth Kumar

	<i>The Company reserves the right to obtain an additional credit rating from any SEBI registered Credit Rating Agency for full or part of the Issue, which shall be at least equivalent to the prevailing credit rating to the Issue.</i>
Statutory Auditor of the Company	Ajay Sardana Associates Chartered Accountants Address: D – 118, Saket, New Delhi – 110 017 Tel: + 91 11 4166 3630 Email: asa-firm@outlook.com Contact person: Mr. Rahul Mukhi

(ii) A brief summary of the business activities of the Company and its line of business including that of its subsidiaries and details of branches and units, if applicable

a. Overview

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

We focus primarily on long-term secured mortgage-backed loans. We offer loans against property to our target client base of salaried and self-employed individuals, including to small and medium-sized enterprises. We also offer mortgage loans to real estate developers in India in the form of lease rental discounting for commercial premises and construction finance. As of March 31, 2021, mortgage loans constituted 77.12% of our loan book.

As of June 30, 2021, we had offices spread across India. Our network (including that of parent company IHFL) gives us a pan-India presence across Tier I, Tier II and Tier III cities in India which also allows us to interact with and service our customers at the local level, whilst ensuring that credit decisions are taken at regional hubs in accordance with defined and identified internal parameters and protocols. As of June 30, 2021, we had a direct sales team of over 1,363 employees who were located across our network (including that of IHFL). We also rely on external channels such as direct sales agents and business associates for referring potential customers.

Our borrowings as at June 30, 2021, March 31, 2021, 2020 and 2019 amounted to ₹7,672.57 crores, ₹7,823.05 crores, ₹8,878.06 crores and ₹10,806.62 crores, respectively. We rely on long-term and medium-term borrowings from banks, amongst others, including issuances of non-convertible debentures. We have a diversified lender base comprising public sector undertakings (“PSUs”), private banks, mutual funds, provident funds, pension funds and others. We also sell down parts of our portfolio through securitization and/or direct assignment of loan receivables primarily to various banks, which results in an additional source of liquidity for us.

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

As at June 30, 2021, and March 31, 2021, 2020 and 2019, our gross non-performing assets NPAs as a percentage of our AUM were 4.25%, 4.49%, 2.56% and 1.12%, respectively, and our net NPAs (which reflect our gross NPAs less provisions for ECL on NPAs (Stage 3) for the three months ended June 30, 2021 and the years ended March 31, 2021, 2020 and 2019, as a percentage of our AUM were 2.87%, 2.93%, 2.00% and 0.84%, respectively. As of March 31, 2021, 2020 and 2019, our capital to risk (weighted) assets ratio (“CRAR”) was 34.48%, 32.44% and 27.88% respectively.

For the three months ended June 30, 2021 and the Fiscal Years 2021, 2020 and 2019, our total revenue from operations was ₹402.63 crores, ₹1,619.41 crores, ₹2,190.47 crores and ₹1,759.91 crores respectively and our net profit after taxes was ₹93.62 crores, ₹139.04 crores, ₹19.81 crores and ₹323.00 crores, respectively.

Our profits from the year increased by ₹119.23 crores from ₹19.81 crores for the Fiscal Year 2020 to ₹139.04 crores for the Fiscal Year 2021.

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

b. Our key operating and financial parameters as at March 31, 2019, 2020 and 2021 are as follows:

₹ In crores unless otherwise stated

Parameters	As at and for the year ended March 31,		
	FY 2019	FY 2020	FY 2021
Balance Sheet			
Property, plant and equipment and other intangible assets	12.38	7.28	2.64
Investments	417.22	1,590.43	949.87
Cash and cash equivalents	488.16	2,000.27	1,809.93
Financial assets (excluding Cash and cash equivalents and Investments) ⁽¹⁾	15,966.62	11,888.40	12,391.91
Non-financial assets (excluding Property, plant and equipment and other intangible assets) ⁽²⁾	160.68	900.92	718.91
Total Assets	17,045.06	16,387.30	15,873.26
Debt Securities	2,215.22	2,440.38	2,192.77
Borrowings (other than Debt Securities)	8,247.44	6,088.82	5,280.88
Subordinated liabilities	343.96	348.86	349.40
Financial liabilities (excluding Debt Securities, Borrowings (other than Debt Securities) and Subordinated liabilities) ⁽³⁾	1,825.38	3,067.28	3,407.28
Current tax liabilities (net)	10.00	3.52	1.05
Provisions	8.21	5.67	4.83
Deferred tax liabilities (net)	5.82	-	-
Other Non-Financial Liabilities	13.98	25.82	83.85
Equity (equity share capital and other equity)	4,375.05	4,406.95	4,553.20
Total liabilities and equity	17,045.06	16,387.30	15,873.26
Statement of Profit and Loss			
Total revenue from operations	1,759.91	2,190.47	1,619.41
Other income	0.69	0.81	13.53
Total Expenses	1,313.32	2,164.03	1,480.15
Profit for the Year	323.00	19.81	139.04
Other Comprehensive (loss) /income	17.68	(0.05)	0.28
Total Comprehensive Income for the Year	340.68	19.76	139.32
Earnings per equity share			
Basic (Rs.)	29.16	0.80	5.61
Diluted (Rs.)	24.46	0.80	5.61
Cash Flow			
Net cash generated from/ (used in) operating activities (A)	(6,164.86)	5,217.70	20.31
Net cash (used in) investing activities (B)	(233.83)	(1,596.72)	851.68

Net cash (used in) / from financing activities (C)	6,619.14	(2,108.87)	(1,062.33)
Net increase / (decrease) in cash and cash equivalents (D)=(A+B+C)	220.45	1,512.11	(190.34)
Cash and cash equivalents at the beginning of the year (E)	267.71	488.16	2,000.27
Cash and cash equivalents at the close of the year (D + E)	488.16	2,000.27	1,809.93
Additional information			
Net worth ⁽⁴⁾	4,375.05	4,406.95	4,553.20
Assets Under Management	17,597.83	13,561.85	13,810.24
Interest Income (Including Treasury Income) [#]	1,636.39	2,148.73	1,617.09
Finance Costs	826.80	1,158.18	997.29
Impairment on financial instruments	364.41	952.92	426.88
Gross NPA (%) [*]	1.12%	2.56%	4.49%
Net NPA (%) ^{**}	0.84%	2.00%	2.93%
CRAR - Tier I Capital (%) - Standalone ^{##}	25.41%	29.54%	31.44%
CRAR - Tier II Capital (%) - Standalone ^{##}	2.47%	2.89%	3.04%
Off Balance Sheet Assets-Loans Assigned	1,902.48	1,739.25	1,366.96
Total Debts to Total assets ⁽⁵⁾	63.40%	54.18%	49.28%
Interest coverage ratio ⁽⁶⁾	201.25%	190.24%	171.57%
Bad Debts to Loan Assets ⁽⁷⁾	0.71%	7.03%	0.26%

Notes:

(1) *Financial assets (excluding Cash and cash equivalents and Investments) = Bank balance other than Cash and cash equivalents + Receivables + Loans + Other financial assets.*

(2) *Non-financial assets (excluding property, plant and equipment and other intangible assets) = Current tax assets (net) + Deferred tax assets (net) + Right-of-use assets + Other Non-financial assets + Assets held for Sale*

(3) *Financial Liabilities (excluding Debt Securities, Borrowings (other than Debt Securities) and Subordinated liabilities) = Trade Payables + Other financial liabilities.*

(4) *Net Worth = Equity share capital + Other equity*

(5) *Total Debts to Total assets = (Debt Securities + Borrowings (other than Debt Securities) + Subordinated liabilities) / Total Assets*

(6) *Interest coverage ratio = Profit before tax, non cash expenses and Interest Cost / Interest Cost*

(7) *Bad Debts to Loan Assets = Bad Debts / Loans*

** Gross NPA% = Gross NPA / (Assets Under Management).*

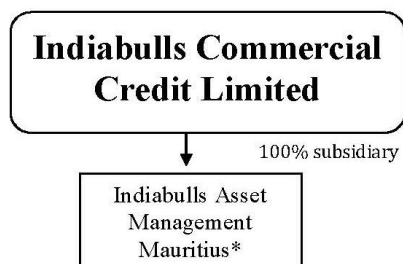
*** Net NPA% = (Gross NPAs less provisions for ECL on NPAs) / (Assets Under Management).*

Interest Income (Including Treasury Income) = Interest Income + Dividend Income + Net gain/(loss) on fair value changes + Net gain on derecognition of financial instruments under amortised cost category.

Computed in accordance with the RBI Directions.

c. Corporate Structure

Indiabulls Commercial Credit Limited Group Structure as on date of this Information Memorandum



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

d. Gross Debt: Equity Ratio of the Company as on June 30, 2021:

On standalone basis

Before the Issue of NCDs (in times)	1.65
After the Issue of NCDs (in times)*	2.08

**after considering the inflow of Rs. 2,000 crores on account of proposed issue*

e. Project cost and means of financing in case of funding of new projects:

Nil

(iii) Brief particulars of the Management of the Company and details of current directors of the Company:

a. Details of Directors

Our Board is responsible and has general powers for the management and conduct of our business. The table below shows certain information in respect of the members of our Board as of the date of this offering memorandum:

Name, Address, DIN, Nationality, Occupation, Term and Date of Appointment/Re-Appointment	Age	Designation	Other Directorships
<p>Mr. Ajit Kumar Mittal</p> <p>Address: A-403, Ashok Garden, Thokarsi Jivraj Road, Shivadi, Mumbai- 400015, Maharashtra</p> <p>DIN: 02698115</p> <p>Nationality: Indian</p> <p>Occupation: Service</p>	62	Chairman and Non-Executive Director	<ul style="list-style-type: none"> • Yaarii Digital Integrated Services Limited (Formerly Indiabulls Integrated Services Limited) • Indiabulls Housing Finance Limited • Indiabulls Trustee Company Limited • Indiabulls Life Insurance Company Limited • Indiabulls Asset Reconstruction Company Limited • Dhani Loans and Services Limited (Formerly Indiabulls Consumer Finance Limited) • Transerv Limited

Name, Address, DIN, Nationality, Occupation, Term and Date of Appointment/Re-Appointment	Age	Designation	Other Directorships
<p>Term: Liable to retire by rotation</p> <p>Date of appointment: September 30, 2013</p> <p>Date of re-appointment: August 14, 2017 (Change of designation from Executive Director to Chairman, Non-Executive Director)</p>			
<p>Mr. Rajiv Gandhi</p> <p>Address: 104, A-Wing Bolivian Alps, Bhakti Park, Near Imax Theatre, Wadala East, Mumbai –400037, Maharashtra, India</p> <p>DIN: 09063985</p> <p>Occupation: Service</p> <p>Date of appointment: February 15, 2021</p> <p>Term: Five years</p> <p>Nationality: Indian</p>	56	Managing Director and CEO	Nil
<p>Mr. Anil Malhan</p> <p>Address: 320, E-Space, Narvana Country, Gurgaon-122018, Haryana</p> <p>DIN:01542646</p> <p>Nationality: Indian</p> <p>Occupation: Service</p> <p>Term: Liable to retire by rotation</p> <p>Date of appointment: July 7, 2006</p>	48	Non-Executive Director	<ul style="list-style-type: none"> • Soril Infra Resources Limited • Airmid Aviation Services Limited • Indiabulls Buildcon Limited • Aspire Land Development Private Limited • Indiabulls Collection Agency Limited
<p>Mrs. Priya Jain</p>	37	Non-Executive Director	<ul style="list-style-type: none"> • Lorena Builders Limited • Indiabulls General Insurance Limited

Name, Address, DIN, Nationality, Occupation, Term and Date of Appointment/Re-Appointment	Age	Designation	Other Directorships
<p>Address: House No. 924, Gordhan Ji Ki Gali, Chouda Rasta, Ward No. 42, Jaipur - 302003, Rajasthan</p> <p>DIN: 07257863</p> <p>Nationality: Indian</p> <p>Occupation: Qualified Professional</p> <p>Term: Liable to retire by rotation</p> <p>Date of appointment: July 11, 2016</p>			
<p>Mr. Prem Prakash Mirdha</p> <p>Address: Mirdha Farm, Sirsi Road, Jaipur-302012, Rajasthan</p> <p>DIN: 01352748</p> <p>Nationality: Indian</p> <p>Occupation: Industrialist</p> <p>Term: For a period of five years, with effect from March 16, 2020 upto March 15, 2025</p> <p>Date of appointment: March 16, 2015</p> <p>Date of re-appointment: March 16, 2020</p>	65	Independent Director	<ul style="list-style-type: none"> • Soril Infra Resources Limited • Indiabulls Housing Finance Limited • Airmid Aviation Services Limited • Indiabulls Rural Finance Private Limited (formerly known as Littleman Fiscal Services P Limited)
<p>Mr. Shamsher Singh Ahlawat</p> <p>Address: 96A, Eastern Avenue, Sainik Farm, Khanpur, New Delhi-110062</p> <p>DIN: 00017480</p>	72	Independent Director	<ul style="list-style-type: none"> • Indiabulls Real Estate Limited • Yaarii Digital Integrated Services Limited (Formerly Indiabulls Integrated Services Limited) • Indiabulls Housing Finance Limited • Airmid Aviation Services Limited • Indiabulls Asset Reconstruction Company Limited • Indiabulls Infraestate Limited

Name, Address, DIN, Nationality, Occupation, Term and Date of Appointment/Re-Appointment	Age	Designation	Other Directorships
<p>Nationality: Indian</p> <p>Occupation: Ex-banker</p> <p>Term: For a period of five years, with effect from March 16, 2020 upto March 15, 2025</p> <p>Date of appointment: March 16, 2015</p> <p>Date of re-appointment: March 16, 2020</p>			<ul style="list-style-type: none"> • Indiabulls Constructions Limited • Lucina Land Development Limited

The permanent account number of the Directors have been submitted to the Stock Exchanges at the time of filing of this Placement Memorandum.

Names of the current directors who are appearing in the wilful defaulters list of RBI and/or Export Credit Guarantee Corporation:

Nil

b. Details of change in directors since last three years:

The changes in the Board of Directors of our Company in the three years preceding the date of this Placement Memorandum are as follows:

S. No.	Name, Designation	DIN	Date of appointment/resignation	Reasons	Date of appointment in case of resignation
1.	Mr. Ripudaman Bandral, Managing Director	07910257	February 15, 2021	Resignation	August 16, 2017
2.	Mr. Rajiv Gandhi, Managing Director and CEO	09063985	February 15, 2021	Appointment	N.A.

c. Remuneration of Directors

The Nomination and Remuneration Committee determines and recommends to the Board the compensation to Directors. The Board of Directors or the shareholders, as the case may be, approve the compensation to Directors.

- a. The following table sets forth the compensation paid by our Company, to our Managing Director / Whole-time Director for the Fiscal Years, 2021, 2020 and 2019 (excluding the value of retirement benefits and perquisites on employee stock options):

(₹ in crores)

Whole-time Director	Total remuneration (including salary and other benefits*)		
	Fiscal 2021	Fiscal 2020	Fiscal 2019
Mr. Ajit Kumar Mittal*	Nil	Nil	Nil

*W.e.f. August 14, 2017, Mr. Ajit Kumar Mittal, has relinquished his office of Whole-Time Director of the Company and was appointed as Non-Executive Chairman of the Company, with effect from August 14, 2017.

- b. The following table sets forth the compensation paid by our Company, to our Managing Director for the Fiscal Years, 2021, 2020 and 2019 (excluding the value of retirement benefits and perquisites on employee stock options):

(₹ in crores)

Managing Director	Total remuneration (including salary and other benefits*)		
	Fiscal 2021	Fiscal 2020	Fiscal 2019
Mr. Ripudaman Bandral*	0.97	1.51	1.75
Mr. Rajiv Gandhi**	0.27	N.A.	N.A.

* Resigned w.e.f. February 15, 2021

**The Board of the Company in its meeting held on February 15, 2021, appointed Mr. Rajiv Gandhi, as a Managing Director and CEO of the Company for five years with effect from February 15, 2021.

- c. The following table sets forth the compensation paid by our Company to our current Non-Executive Directors for Fiscal Years, 2021, 2020 and 2019:

(₹ in crores)

Non-Executive Director	Total remuneration (including salary and other benefits*)		
	Fiscal 2021	Fiscal 2020	Fiscal 2019
Mr. Ajit Kumar Mittal*	Nil	Nil	Nil
Mr. Anil Malhan	Nil	Nil	Nil
Mrs. Priya Jain	Nil	Nil	Nil

*W.e.f. August 14, 2017, Mr. Ajit Kumar Mittal has relinquished his office of Whole-Time Director of the Company and was appointed as Non-Executive Chairman of the Company, with effect from August 14, 2017.

- d. The following table sets forth the sitting fees paid by our Company to our existing Independent Directors for the Fiscal Years, 2021, 2020 and 2019:

(₹ in crores)

Name of Director	Total sitting fees		
	Fiscal 2021	Fiscal 2020	Fiscal 2019
Mr. Prem Prakash Mirdha	Nil	Nil	Nil
Mr. Shamsheer Singh Ahlawat	Nil	Nil	Nil

- e. Details of remuneration payable or paid to the Director by the Subsidiary and associate companies of the Company for the Fiscal Years, 2021, 2020 and 2019:

Nil

(iv) Management's perception of risk factors:

Please refer to the section titled "Risk Factors".

(v) Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:

- (a) statutory dues: Nil
 (b) debentures and interest thereon: Nil
 (c) deposits and interest thereon: Nil
 (d) loan from any bank or financial institution and interest thereon: Nil

(vi) Name, designation, address and phone number, email ID of the nodal / compliance officer of the Company and persons connected, in the Issue

Name: Mr. Ajit Kumar Singh
 Designation: Company Secretary and Compliance Officer
 Address: Indiabulls House, 448-451, Udyog Vihar, Phase – V, Gurugram - 122 016, Haryana
 Telephone: +91 124 668 1199
 Email: ajisingh@indiabulls.com

(vii) Any default in annual filing of the Company under the Companies Act, 2013 or the rules made thereunder:

Nil

II. Particulars of the Offer:

(i) **Financial position of the Company for the last 3 financial years:**

Please refer to "--V. Financial Position of the Company" below.

(ii) **Other Particulars:**

Date of passing of Board Resolution	January 10, 2019
Date of passing of resolution in general meeting, authorizing the offer of securities	July 29, 2021
Kinds of securities offered (i.e., whether share or debenture) and class of security; the total number of NCDs to be issued	20,000 Secured Non-Convertible Debentures of the face value of INR 10,00,000 (Rupees ten lakhs only) each aggregating to INR 2,000 crores (Rupees Two thousand crores only) as per the Term Sheet
Price at which the security is being offered, including premium if any, along with justification of the price	INR 10 lakhs (Rupees ten lakhs only) per NCD issued at par
Name and address of the valuer who performed valuation of the security offered and basis on which the price had been arrived at along with report of the registered valuer;	Not applicable
Relevant date with reference to which the price has been arrived at	N.A.
Proposed time within which the Allotment shall be completed	The NCDs shall be allotted to the Investors on the Deemed Date of Allotment i.e., September 21, 2021.
Class or classes of persons to whom allotment is proposed to be made	Please refer to "Eligible Investors" in the section Issue Details/ Term Sheet set forth herein.
Intention of promoters, directors or key managerial personnel to subscribe to the offer	Not applicable
Proposed time schedule for which the private placement offer cum application is valid	This Placement Memorandum shall be valid till the Issue Closing Date i.e., September 20, 2021
Change in control, if any, in the Company that would occur consequent to the private placement	Not applicable (The proposed issue is of debt instruments; hence there shall not be any change in the control)
Number of persons to whom allotment on preferential basis/private placement/ rights issue has already been made during the year, in terms of number of securities as well as price	Nil
Justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not applicable
Amount which the Company intends to raise by way of securities	INR 2,000 crores (Rupees two thousand crores only)
Terms of raising of securities (a) duration; if applicable (b) rate of dividend; (c) rate of interest; (d) mode of payment (e) repayment;	As per the section Issue Details/ Term Sheet.

Purpose and objects of the offer	As per the section Issue Details/ Term Sheet.
Contribution being made by the promoters or directors either as part of the offer or separately in furtherance of the object	The Promoter may subscribe to the Issue in accordance with applicable law.
Principal terms of assets charged as security, if applicable	As per the section Issue Details/ Term Sheet.
The details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations	Nil

(iii) **The pre-issue and post-issue shareholding pattern of our Company as on June 30, 2021:**

Sr. No.	Category	No. of Shares held	Pre-Issue			Post-Issue*	
			No. of Shares in Demat Form	% of share holding	No. of Shares held	No. of Shares in Demat Form	% of share holding
A	Promoters holding						
1	Indian / Individual (including NRIs)	24**	0	0.00	24**	0	0.00
	Bodies corporate	247,799,300	247,799,300	100.00	247,799,300	247,799,300	100.00
	Sub-total	247,799,324	247,799,300	100.00	247,799,324	247,799,300	100.00
2	Foreign promoters	0	0	0.00	0	0	0.00
	Sub-total (A)	247,799,324	247,799,300	100.00	247,799,324	247,799,300	100.00
B	Non-promoters holding						
1	Institutional investors	0	0	0.00	0	0	0.00
2	Non-Institutional investors	0	0	0.00	0	0	0.00
	Private corporate bodies	0	0	0.00	0	0	0.00
	Directors and relatives	0	0	0.00	0	0	0.00
	Indian public	0	0	0.00	0	0	0.00
	Other [including non-resident Indians (NRIs)]	0	0	0.00	0	0	0.00
	Sub-total (B)	0	0	0.00	0	0	0.00
	GRAND TOTAL	247,799,324	247,799,300	100.00	247,799,324	247,799,300	100.00

*Post issue shareholding pattern of the Company will not change with the issuance of the NCDs.

**Held as nominee of Indiabulls Housing Finance Limited

III. Mode of Payment for Subscription:

- (i) RTGS
- (ii) Fund Transfer

Mode of payment for subscription shall be in accordance with the SEBI Operational Circular and the BSE EBP Guidelines.

IV. Disclosure with Regard to Interest of Directors, Litigation, etc.:

Any financial or other material interest of the directors, promoters or key managerial personnel in the Issue and the effect of such interest in so far as it is different from the interests of other persons	Nil
Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against any promoter of the Company during the last 3 (Three) years immediately preceding the year of the issue of the offer letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	Please refer to Annexure III
Remuneration of directors (during the current year and last 3 (Three) financial years)	Please refer to "Brief particulars of the Management of the Company and details of current directors of the Company" mentioned above.
Related party transactions entered during the last 3 (Three) financial years immediately preceding the year of circulation of offer letter including with regard to loans made or, guarantees given or securities provided	Please refer Annexure V
Summary of reservations or qualifications or adverse remarks of auditors in the last 5 (Five) financial years immediately preceding the year of issue of offer letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark	There have been no reservations or qualifications or adverse remarks of auditors in respect of our Financial Statements in the last five financial years immediately preceding the year of issue of offer letter.
Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 in the last 3 (Three) years immediately preceding the year of issue of private placement offer cum application letter in case of the Company and all of its subsidiaries. Also, if there were any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last 3 (Three) years immediately preceding the year of offer letter and if so, section-wise details thereof for the Company and all of its subsidiaries	Please refer Annexure III
Details of acts of material frauds committed against the Company in the last 3 (Three) years, if any, and if so, the action taken by the Company	Please refer Annexure III

V. Financial Position of the Company

The capital structure of the Company as on date of this Placement Memorandum in the following manner: The authorised, issued, subscribed and paid-up capital (number of securities, description and aggregate nominal value)	Please refer to “Details of Share Capital as on June 30, 2021” below.			
Size of the Present Issue	Issue of NCDs aggregating to INR 2,000 crores (Rupees Two thousand crores only)			
Paid-up Capital after the offer:	The paid-up capital after the offer will be the same as it was before the offer, as disclosed above.			
Paid-up Capital after the conversion of Convertible Instruments (if applicable)	Not applicable since this is an issuance of NCDs			
Share Premium Account: a. Before the offer: b. After the offer:	INR 3249,41,29,147 INR 3249,41,29,147			
Details of the existing share capital of the Company: Please refer to “Equity Share Capital History of our Company for the last three year as on June 30, 2021”.				
Details of allotments made by the Company in the last 1 (one) year preceding the date of the offer letter for Consideration other than cash	Nil			
Profits of the Company, before and after making provision for tax, for the 3 (Three) financial years immediately preceding the date of circulation of offer letter	INR (in crores)	2020-21	2019-20	2018-19
	Profits / (Loss) Before Tax	152.79	27.25	447.28
	Profits / (Loss) After Tax	139.04	19.81	323.00
Dividends declared by the Company in respect of the said 3 (Three) financial years; interest coverage ratio for last 3 (Three) years (cash profit after tax plus interest paid/interest paid)	Particulars	2020-21	2019-20	2018-19
	Dividend*	-	-	-
	Interest Coverage	171.57%	190.24%	201.25%
A summary of the financial position of the Company as in the 3 (Three) audited balance sheets immediately preceding the date of circulation of offer letter	Please refer to Annexure II			
Audited Cash Flow Statement for the 3 (Three) years immediately preceding the date of circulation of offer letter	Please refer to Annexure II			
Any change in accounting policies during the last 3 (Three) years and their effect on the profits and the reserves of the Company	Please refer to Annexure II			

* Our company has not declared any dividend on equity shares for fiscal year ended 2021, 2020 and 2019. However, the company has made provisions on preference shares for the fiscal year ended 2019 as per terms of issuance of preference shares

The Company was incorporated on July 7, 2006. Following are the details of capital structure:

1. Details of Share Capital as at June 30, 2021:

PARTICULARS	Aggregate value at face value (except for securities premium)
A. AUTHORISED SHARE CAPITAL	
250,000,000 Equity Shares of ₹ 10 each	2,500,000,000
22,500,000 Preference Shares of ₹ 10 each	225,000,000
Total Authorised Share Capital	2,725,000,000
B. ISSUED, SUBSCRIBED AND PAID-UP CAPITAL	
247,799,324 Equity Shares of ₹ 10 each	2,477,993,240.00
Total Issued Subscribed and Paid-Up Capital	2,477,993,240.00
C. SECURITIES PREMIUM ACCOUNT	
Securities Premium Account as at June 30, 2021	32,494,129,147

Since the present Issue contemplates offer and issuance of NCDs, the aforesaid paid-up share capital shall remain unchanged after the offer/issuance of the NCDs.

2. Details of change in authorised share capital of our company as at June 30, 2021 for the last three years:

Date of Change (AGM / EGM)	Authorised Share Capital (₹ in crores)	Particulars
January 28, 2019	250.00	Increase in authorized capital from ₹135,00,00,000/- divided into 112,500,000 Equity Shares and 22,500,000 Preference Shares to ₹250,00,00,000/- divided into 227,500,000 Equity Shares and 22,500,000 Preference Shares.
March 14, 2019	272.50	Increase in authorized capital from ₹250,00,00,000/- divided into 227,500,000 Equity Shares and 22,500,000 Preference Shares to ₹272,50,00,000/- divided into 250,000,000 Equity Shares and 22,500,000 Preference Shares.

3. Equity Share Capital History of our Company for the last three years as at June 30, 2021

The history of the paid-up Equity Share capital of our Company as on June 30, 2021, for the last three years is set forth below:

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Premium per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Equity Share Capital (₹)	Nature of Allotment
February 22, 2019	11,76,50,000	10	160	170	Cash	11,76,50,000	1,17,65,00,000	Rights Issue ⁽¹⁾
March 25, 2019	2,25,00,000	10	80	90	Cash	24,77,99,324	2,47,79,93,240	Allotment pursuant to conversion of preference shares into

Date of allotment	Number of Equity Shares allotted	Face value per Equity Share (₹)	Premium per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of Consideration	Cumulative Number of Equity Shares	Cumulative Equity Share Capital (₹)	Nature of Allotment
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Equity Shares ⁽²⁾

(1) The Company, on February 22, 2019, on a rights issue basis had allotted 11,76,50,000 Equity Shares, at ₹170 per Equity Share (including the premium of ₹160 per Equity Share), for cash, to Indiabulls Housing Finance Limited.

(2) The Company has converted 2,25,00,000 Preference Shares issued at ₹90 per Preference Share to 2,25,00,000 Equity Shares, at ₹90 per Equity Share (including the premium of ₹80 per Equity Share), held by Indiabulls Housing Finance Limited.

4. Details of acquisition or amalgamation in last 1 year:

Nil

5. Details of reorganization or reconstruction in last 1 year:

Nil

VI. Details of shareholding of the Company as on latest quarter ended, i.e., June 30, 2021

a. List of top 10 holders of equity shares of the Company as of June 30, 2021 is as under:

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

*Held as nominee of Indiabulls Housing Finance Limited

VII. Details regarding the auditors of the Issuer

a. Details of the auditor of the Issuer

Name	Address	Auditor Since
Ajay Sardana Associates	D – 118, Saket, New Delhi – 110 017	September 8, 2017

b. Change in Auditors of our Company during the last three years

There has been no change(s) in the Statutory Auditor of our Company in the last 3 (three) Fiscals preceding the date of this Placement Memorandum.

VIII. Details of the borrowings of the Company as on June 30, 2021:

a. Details of outstanding secured loan facilities:

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Principal Amount outstanding (as on June 30, 2021) (in ₹ crores)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
1.	Bank of Baroda (erstwhile Dena Bank)	Term Loan	300.00	200.00	September 30, 2022	3 equal annual instalments at the end of 3 rd , 4 th and 5 th year after a moratorium period of 2 years.	Nil, after servicing of 30 days' notice failing which a penal interest at the rate of 2% shall be payable.	<p>The Company shall pay additional interest at 2% p.a. over and above the applicable to interest rate, in case the Company defaults in paying the instalments/ repaying the loan amount with interest and other charges and/or the account becoming irregular without prejudice to other rights and remedies of the bank.</p> <p>The Company shall pay additional interest at the rate of 2% p.a. for the following deficiencies:</p> <ul style="list-style-type: none"> • Default in repayment of loan instalments and/or servicing of interest. • Non-submission of Balance Sheet and Profit and Loss accounts within six months from the date of Balance Sheet. • Non-submission of information required for review of the account.
2.	Bank of Baroda (erstwhile Vijaya Bank)	Term Loan	100.00	66.00	September 28, 2022	Repayment of principal to be made in three equal annual instalments at end of 3 rd , 4 th year and 5 th year after a moratorium period of 24 months	The company is allowed to prepay the facility without any prepayment charges by serving a 30 days' notice period.	The Bank is at liberty to charge penal interest at 2% p.a. for any delayed/unpaid instalments without any notice for the same. Please note that a default means any non-payment of the due amount as per the schedule of

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Principal Amount outstanding (as on June 30, 2021) (in ₹ crores)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
						from the date of first disbursement, i.e., September 27, 2017. Door to door tenure of 5 years.		repayment drawn and executed between the Company and the bank on the due date. The amount due but not paid on the due date constitutes the default and penal interest will be levied on the amount so defaulted from the due date till its complete payment.
3.	Bank of Baroda (erstwhile Vijaya Bank)	Term Loan	150.00	150.00	June 29, 2023	Repayment of principal to be made in two equated annual instalments at end of 4 th year and 5 th year after a moratorium period of 36 months from the date of first disbursement, i.e., June 28, 2018. Door to door tenure of 5 years.	-	The Bank is at liberty to charge penal interest at 2% p.a. for any delayed/unpaid instalments without any notice for the same. Please note that a default means any non-payment of the due amount as per the schedule of repayment drawn and executed between the Company and the bank on the due date. The amount due but not paid on the due date constitutes the default and penal interest will be levied on the amount so defaulted from the due date till its complete payment.
4.	Bank of Maharashtra	Term Loan	200.00	100.00	December 29, 2021	<ul style="list-style-type: none"> • Door to door tenure of 48 months, including moratorium period of 24 months. • 100 crores at the end of 36th month from date of 1st disbursement, i.e. December 29, 2017. • 100 crores at the end of 48th month from date of 1st disbursement, i.e., December 29, 2017. 	Prepayment penalty at 1% on the amount prepaid. However, no prepayment penalty if the prepayment is done with 15 days' notice period.	In default of payment of any one/ two instalments of quarterly interest, the bank shall be entitled to demand payment of the entire amount then outstanding in respect of the said loan, as if the period for repayment has expired and shall also be entitled, on failure to pay the interest at the end of each quarter. to debit to the Company's loan account and capitalize the amount of such interest as if such amount was a fresh loan advanced by the bank to the Company and shall be entitled to charge like interest thereon, in addition to the charging penal interest at the rate of 2%

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Principal Amount outstanding (as on June 30, 2021) (in ₹ crores)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
								p.a. from the date of default to the date of payment of such defaulted interest.
5.	Canara Bank (erstwhile Syndicate Bank)	Term Loan	500.00	265.38	March 06, 2027	Door to door 7 years with initial moratorium of 6 months. Repayable in 26 equal instalments post moratorium period of 6 months from draw down date.	-	Penal rate of 0.50% p.a. on outstanding liability shall be collected if the audited financial statement is not submitted within 7 months from the date of closure of financial year.
6.	Central Bank of India	Term Loan	250.00	166.67	August 31, 2022	Repayable in 3 equal yearly instalments at the end of 3 rd , 4 th and 5 th year from date of first draw down, in 2 nd quarter of FY 2020, FY 2021 and FY 2022, after a moratorium of 2 years.	Nil, if paid with prior written notice of 15 days.	Penal rate of interest of 2% shall be charged for any delay in repayment of interest or instalment. The bank reserves the right to recall the advance in case of any default of instalments. Additional interest of 1% if fresh rating not obtained within 3 months from expiration of external rating and for non-compliance of security perfection within 6 months.
7.	Indian Bank	Term Loan	500.00	166.67	December 15, 2022	Repayable in three equal annual instalments at the end of 36 th , 48 th and 60 th months after a moratorium period of 24 months. Monthly interest will be serviced as and when debited.	Prepayment charges to be levied as per bank's norms if the Company does not give 30 days prior notice.	2% per annum for the period of default in payment of any instalment of principal amount, interest thereon or other monies.
8.	Karnataka Bank	Term Loan	200.00	100.00	March 23, 2022	Repayable in two annual instalments of ₹100 crores each at the end of 48 th month (4 th year) and 60 th month (5 th year)	Pre closure charges are waived as a special case.	<ul style="list-style-type: none"> Company shall pay penal interest at the rate of 2% for delayed servicing of interest/ excess drawings/ adhoc limits/ temporary overdraft.

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Principal Amount outstanding (as on June 30, 2021) (in ₹ crores)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
						after initial holiday period of 3 years.		<ul style="list-style-type: none"> Company shall submit annual financial statement of the Company every year by the end of 31st December of that year failing which penal interest of 1% p.a. over and above sanctioned rate will be charged on the outstanding balance after the said date.
9.	NABARD	Revolving Loan Facility	500.00	125.00	January 31, 2024	Repayable in 6 half yearly instalments of ₹ 75 crores each commencing from January 31, 2019 and thereafter in 5 half yearly instalments of ₹ 10 crores each.	Prepayment of instalment to done by giving 3 days prior notice and the same will attract prepayment charges as per the prevailing rate on the date of prepayment.	NoC from existing lenders for creating charge has to be submitted within 90 days of release of refinance, failing which penal interest of 1% will be levied thereafter.
10.	NABARD	Revolving Loan Facility	783.00	313.20	January 31, 2024	Repayable in 6 half yearly instalments of ₹ 117,45,00,000 each commencing from July 31, 2009 and thereafter in 4 half yearly instalments of ₹ 19,57,50,000 each	Prepayment of instalment to done by giving 3 days prior notice and the same will attract prepayment charges as per the prevailing rate on the date of prepayment.	NoC from existing lenders for creating charge has to be submitted within 90 days of release of refinance, failing which penal interest of 1% will be levied thereafter.
11.	NABARD	Revolving Loan Facility	732.00	292.80	July 31, 2024	Repayable in 6 half yearly instalments of ₹ 109,80,00,000 each commencing from July 31, 2009 and thereafter in 5 half yearly instalments of ₹	Prepayment of instalment to done by giving 3 days prior notice and the same will attract prepayment charges as per the prevailing rate on the date of prepayment.	NoC from existing lenders for creating charge has to be submitted within 90 days of release of refinance, failing which penal interest of 1% will be levied thereafter.

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Principal Amount outstanding (as on June 30, 2021) (in ₹ crores)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
						14,64,00,000 crores each.		
12.	NABARD	Revolving Loan Facility	300.00	120.00	July 31, 2024	Repayable in 6 half yearly instalments of ₹ 45,00,00,000 each commencing from July 31, 2019 and thereafter in 5 half yearly instalments of ₹ 6,00,00,000 each at the end of 5 th year	Prepayment of instalment to be done by giving 3 days prior notice and the same will attract prepayment charges as per the prevailing rate on the date of prepayment	NoC from existing lenders for creating charge has to be submitted within 90 days of release of refinance, failing which penal interest of 1% will be levied thereafter.
13.	NABARD	Revolving Loan Facility	200.00	190.00	March 31, 2026	Repayable in 20 quarterly instalments of ₹ 10,00,00,000 each commencing from June 30, 2021	Prepayment of instalment to be done by giving 3 days prior notice and the same will attract prepayment charges as per the prevailing rate on the date of prepayment	NoC from existing lenders for creating charge has to be submitted within 90 days of release of refinance, failing which penal interest of 1% will be levied thereafter.
14.	Punjab and Sind Bank	Term Loan	130.00	130.00	December 3, 2022	Two equated annual instalments at the end of 4 th year and 5 th year after a moratorium period of 36 months	Company is allowed waiver in prepayment charges if prepayment is made with prior written notice of 30 days.	-
15.	Punjab and Sind Bank	Term Loan	500.00	500.00	September 27, 2022	Two equated annual instalments at the end of 4 th year and 5 th year after a moratorium period of 36 months	Company is allowed waiver in prepayment charges if prepayment is made with prior written notice of 30 days.	Non submission of required financial papers for review/renewal of limit in cases where negotiated rate is being charged, the interest rate will be raised by +0.50% or by increase of spread which comes on account of downgrading of credit rating, whichever is higher.

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Principal Amount outstanding (as on June 30, 2021) (in ₹ crores)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
16.	Punjab National Bank (erstwhile Oriental Bank of Commerce)	Term Loan	100.00	33.34	March 22, 2022	Three equal instalments of ₹ 33.33 crores each at the end of 3 rd and 4 th year and ₹ 33.34 crores at the end of the 5 th year.	As per bank's schedule. However, there shall be no prepayment penalty if the same is paid out of own sources.	Penal interest at the rate of 2% over and above the normal rate of interest with agreed rests under the loan agreement, in case Company defaults in repayment of any of the instalments, in case of any violation of any norms, conditions and provisions and undertakings by the Company under the loan agreement.
17.	Punjab National Bank (erstwhile United Bank of India)	Term Loan	250.00	166.67	September 7, 2022	Repayable in three equated annual instalment at the end of 3 rd , 4 th and 5 th year of ₹83.33 crores each after a moratorium period of 2years from the date of disbursement i.e., August 23, 2017.	Prepayment charges at the rate of 1% plus applicable service tax of the pre-paid amount. However, no prepayment penalty if the facility is pre-paid within 15 days of the reset rate of interest being communicated to the Company by the bank.	<p>Penal charge shall be levied in case of following irregularities:</p> <ul style="list-style-type: none"> • Default in repayment of loan instalments and / or servicing of interest; • Non-submission of balance sheet and P/L accounts within six months from the date of balance sheet; • Non-submission of information required for review of the account; and • Non-compliance to any of the terms of sanction. <p>• Bank may levy penal interest at the rate of 1% at monthly rest per default for the period of default subject to cumulative maximum of 3% p.a. at monthly rest over and above the normal rate.</p>

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Principal Amount outstanding (as on June 30, 2021) (in ₹ crores)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
18.	RBL Bank	Term Loan	100.00	7.72	September 29, 21	Repayable in 13 equal quarterly instalments with first instalment due at the end of 3 months from the date of first disbursement, i.e., June 26, 2018.	Prepayment part or full can be made without any charges by giving a prior written notice of 30 calendar days to the bank. However, if the mandatory prior written notice of 30 calendar days is not given to the bank before making the prepayment, prepayment charges at the rate of 2% of the prepayment amount shall be applied to such prepayment.	The Company shall pay penal interest at 2% above the applicable rate for <ul style="list-style-type: none"> • Non submission of stock statement/valid insurance; • Non submission of stock financials and other data as may be called for; • Non perfection of security within permitted timelines • Other non-compliances, if any; and • Irregularity/ overdrawings in the account.
19.	RBL Bank	Term Loan	125.00	20.83	September 30, 2021	Repayable in 18 monthly instalments	Company is allowed waiver in prepayment charges if prepayment is made with prior written notice of 30 days.	Nil
20.	SIDBI	Term Loan	750.00	230.00	June 10, 2023	Repayable in 20 quarterly instalments of ₹37.50 crores each, commencing from the 10 th day of the month immediately after the expiry of 6 months from the date of first disbursement, i.e., February 13, 2018, out of the loan sanctioned by SIDBI.	The Company shall not prepay the outstanding principal amount of loan in full or in part thereof before the due dates except after obtaining prior approval of SIDBI in writing which may be granted subject to such conditions as SIDBI may deem fit including levy of interest (currently 1-3%) on such prepayment.	A charge of 2% p.a. over and above the applicable rate, by way of penal interest, will be levied for defaults in payment of principal, interest and other monies payable under the loan agreement. Arrears of penal interest shall carry interest at the rate applicable for the loan.

S. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Principal Amount outstanding (as on June 30, 2021) (in ₹ crores)	Final Maturity Date	Repayment Terms	Prepayment Clause	Penalty Clause
							However, at the time of reset of spread, the Company can within 2 working days from the date of intimation of new interest rate (excluding the date of intimation) serve a notice of 30 days and prepay the loan without any prepayment penalty/charges.	
21.	Union Bank of India (erstwhile Andhra Bank)	Term Loan	200.00	200.00	August 23, 2022	Bullet payment at the end of one year.	Waiver of prepayment charges if prepayment of term loan is made with prior notice of 30 days otherwise the Company shall pay prepayment charges i.e. 2% on the amount prepaid. No prepayment allowed before due date in respect of Foreign currency term loan.	If the interest and instalments are not serviced in time, the finer rate of interest shall be subject to review and Andhra Bank reserves the right to charge interest rate as per the internal and external credit rating.
Total			6,870.00	3,544.28				

In addition to the above loans, we have taken the following cash credit and overdraft facilities:

Sr. No.	Lender Name	Facility	Sanctioned Amount (₹ in crores)	Amount Outstanding (as on June 30, 2021) (₹ in crores)	Prepayment Clause	Repayment Terms	
1.	RBL Bank	Cash Credit / Working Capital Demand Loan		25.00	15.00	Nil	Repayment on demand

Security for above loans

First pari passu charge on (i) all the current assets (including) investments of our Company, both present and future and (ii) all current and future loan assets of our Company and all monies receivable thereunder. The minimum asset cover required to be maintained by our Company for secured loan facilities mentioned above ranges from 100% to 125%.

b. Details of outstanding unsecured loan facilities as on June 30, 2021:

There are no outstanding unsecured loan facilities as on June 30, 2021.

c. Details of outstanding non – convertible securities as on June 30, 2021:

Details of outstanding secured non – convertible securities as on June 30, 2021:

Sr. No.	Description (ISIN)	Tenor (in Years)	Coupon Rate (in %)	Amount (in ₹ crores)	Date of Allotment	Date of Redemption	Credit Rating
1.	INE244L07077	3	0.00	0.07	September 25, 2018	September 25, 2021	CRISIL AA and CARE AA
2.	INE244L07085	3	0.00	19.07	September 25, 2018	September 25, 2021	CRISIL AA and CARE AA
3.	INE244L07093	3	8.80	901.09	September 25, 2018	September 25, 2021	CRISIL AA and CARE AA
4.	INE244L07101	3	8.90	947.32	September 25, 2018	September 25, 2021	CRISIL AA and CARE AA
5.	INE244L07028	7	9.05	40.00	July 8, 2016	July 7, 2023	CRISIL AA and CARE AA
6.	INE244L07127	5	8.66	20.73	September 25, 2018	September 25, 2023	CRISIL AA and CARE AA
7.	INE244L07135	5	8.90	0.91	September 25, 2018	September 25, 2023	CRISIL AA and CARE AA
8.	INE244L07143	5	9.00	75.22	September 25, 2018	September 25, 2023	CRISIL AA and CARE AA
9.	INE244L07150	10	8.75	0.06	September 25, 2018	September 25, 2028	CRISIL AA and CARE AA
10.	INE244L07168	10	8.84	12.40	September 25, 2018	September 25, 2028	CRISIL AA and CARE AA
11.	INE244L07176	10	9.10	0.35	September 25, 2018	September 25, 2028	CRISIL AA and CARE AA
12.	INE244L07184	10	9.20	13.96	September 25, 2018	September 25, 2028	CRISIL AA and CARE AA

Secured redeemable non-convertible debentures are secured against immovable property and a first pari passu charge on (i) all the current assets (including investments) of our Company, both present and future and (ii) all current and future loan assets of our Company and all monies receivable thereunder. The minimum asset cover required to be maintained by our Company for each secured NCD is 1.0 times

Penalty clause applicable to all secured non-convertible debentures – (i) In case of default in payment of interest and/or principal redemption on the due dates, additional interest of at least 2% per annum over the coupon rate shall be payable by our Company for the defaulting period (ii) In case of delay in listing of the debt securities beyond 20 days from the deemed date of allotment, our Company shall pay penal interest of at least 1% per annum over the coupon rate from the expiry of 30 days from the deemed date of allotment till the listing of such debt securities to the investor.

Details of outstanding unsecured non – convertible securities as on June 30, 2021:

Sr. No.	Description (ISIN)	Tenor (in Years)	Coupon Rate (in %)	Principal Amount (in ₹ crores)	Date of Allotment	Date of Redemption	Credit Rating
1.	INE244L08018	10	8.45	60.00	November 8, 2017	November 8, 2027	CARE AA and BWR AA+
2.	INE244L08026	9.97	8.45	40.00	November 30, 2017	November 20, 2027	CARE AA and BWR AA+
3.	INE244L08034	10	8.45	50.00	January 5, 2018	January 5, 2028	CRISIL AA and CARE AA
4.	INE244L08042	10	8.85	105.00	March 28, 2018	March 28, 2028	CRISIL AA and CARE AA
5.	INE244L08059	10	8.80	100.00	May 2, 2018	May 2, 2028	CRISIL AA and CARE AA

d. List of top 10 non-convertible securities holders as on June 30, 2021:

Sr. No.	Name of Debenture Holder	Amount (in ₹ crores)	% of total non-convertible securities outstanding
1.	Indiabulls Housing Finance Limited	1,845.84	77.4%
2.	Food Corporation of India CPF Trust	101.00	4.2%
3.	Indian Oil Corporation Ltd (Refineries Division) Employees Provident Fund	72.80	3.1%
4.	The Provident Fund Trust for The Employees of Indian Oil Corporation Limited (MD)	40.00	1.7%
5.	Board of Trustees M.S. R.T.C. CPF	30.00	1.3%
6.	Visakhapatnam Steel Project Employees Provident Fund Trust	25.60	1.1%
7.	Board of Trustees G. S. R. T. C. C P Fund	15.00	0.6%
8.	Hindustan Petroleum Corporation Limited Provident Fund	12.50	0.5%
9.	Indian Oil Corporation Limited (Assam Oil Division) Employees Provident Fund	11.00	0.5%
10.	Union Bank of India	10.00	0.4%

e. The amount of corporate guarantee issued by the Company along with name of the counterparty (like name of the subsidiary, JV entity, group company, etc.) on behalf of whom it has been issued:

The amount of corporate guarantees issued by our Company for securitization transactions/assignment with different assignee as on June 30, 2021 is nil.

f. Details of commercial paper outstanding as on the latest quarter end:

As on June 30, 2021, the Company does not have any outstanding commercial paper.

g. Details of rest of the borrowing (if any including hybrid debt like FCCB, optionally convertible debentures / preference shares) as on June 30, 2021:

Nil

h. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past three years:

Nil

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

Nil

SECTION IV: DISCLOSURES AS PER SEBI (ISSUE AND LISTING OF NON- CONVERTIBLE SECURITIES) REGULATIONS, 2021

I. Eligibility under Regulation 5 of the SEBI NCS Regulations

Our Company, persons in control of our Company and/or our Directors and/or our Promoter and/or our Promoter Group 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. None of our Directors and/or our Promoter, is a director or promoter of another company which is has been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities.

Our Company, our Directors and/or our Promoters have not been categorised as a wilful defaulter by the RBI, ECGC, any government / regulatory authority and/or by any bank or financial institution. None of our Whole-time Directors and/or our Promoter, is a whole-time director or promoter of another company which is has been categorised as a wilful defaulter.

None of our Directors have been declared as fugitive economic offenders.

The Company confirms that there are no fines or penalties levied by SEBI or the Stock Exchanges pending to be paid by the Company as on the date of this Placement Memorandum.

Our Company is not in default of payment of interest or repayment of principal amount in respect of non-convertible securities, for a period of more than six-months.

II. Our Promoter

Our promoter is Indiabulls Housing Finance Limited (“**IHFL**”).

IHFL was incorporated under the Companies Act, 1956 on May 10, 2005, with the Registrar of Companies, National Capital Territory of Delhi and Haryana and received a certificate for commencement of business from the RoC on January 10, 2006. The Permanent Account Number of IHFL is AABCI3612A. The permanent account number and bank account number(s) of our Promoter have been submitted to the Stock Exchanges at the time of filing this Placement Memorandum.

IHFL is one of the largest housing finance company in India. It received a certificate of registration from the NHB to carry on the business of a housing finance institution in December 28, 2005 having registration number 02.0063.05. It is also a notified financial institution under the SARFAESI Act.

IHFL focus primarily on long-term secured mortgage-backed loans. It offers housing loans and loans against property to its target client base of salaried and self-employed individuals and small and medium-sized enterprises. It also offers mortgage loans to real estate developers in India in the form of lease rental discounting for commercial premises and construction finance for the construction of residential premises. The majority of its assets under management comprise housing loans, including in the affordable housing segment.

IHFL has a long-term credit ratings of “AA+” (for the long-term loans and non-convertible debentures) from Brickwork Ratings and “AA” from CRISIL, ICRA and CARE Ratings. Additionally, IHFL has obtained a credit rating of “AA+” from Brickwork Ratings and “AA” from CRISIL, ICRA and CARE Ratings in relation to its subordinated debt programme. IHFL has obtained a credit rating of “AA” from Brickwork Ratings and “AA-” from CARE Ratings for its perpetual debt programme. IHFL also has the highest short-term credit rating of “A1+” (for the Issuer’s commercial paper programme) from CRISIL, ICRA and CARE. These ratings signify a high degree of safety, regarding timely servicing of financial obligations and low credit risk.

Awards and Recognitions

IHFL received a number of awards and recognitions in the past, including, amongst others:

Financial Year	Particulars
2016-2017	Most Promising Brand for Housing Finance of the Year 2016 by 24MRC Network in association with Zee Business

Financial Year	Particulars
	Housing Finance Company of the Year 2016 by Navabharat
	BFSI Digital Innovators Award” in the Customer Experience category by the Indian Express Group
	SKOCH Smart Technologies Sustainable Growth - Silver Award for e-Home Loans by SKOCH
	Excellence in Cost Management 2016 by the Institute of Cost Accountants of India (ICAI)
	Housing Finance Company of the Year at the ‘30th National Real Estate Accommodation Times Awards’ in Fiscal 2016
	Excellence in Home Loan Banking’ at the ‘My FM Stars of Industry Awards’
	Gold Level – Arogya World Healthy Workplace
	Most Innovative Citizen Engagement Through Technology at the Business World Digital India Summit
2017-2018	Awards for Annual Report, Brand Film and Table Calendar 2017-18 by public relations council of India
	Best use of Digital Media – 100% Dad Campaign at the Abby’s – 2017
2018-2019	Awards for Annual Report, Brand Film and Table Calendar 2017-18 at the 8th Annual Corporate Collateral Awards 2018 by PRCI
	Best Social Media Brand in the BFSI sector (Financial Services) at the SAMMIE 2018
2019-2020	Ranked 20th among India's Best Companies to Work For 2019 - A study by Economic Times & Great Place to Work @ Institute
	India's Best Workplaces in BFSI-2019 by Great Place to Work @ Institute
	India's Best Workplaces in NBFC-2019 by Great Place to Work @ Institute

III. Details of credit rating along with reference to the rating letters issued (not older than one month on the date of the opening the issue) and rating rationale(s) adopted (not older than one year on the date of opening of the issue) by the rating agencies in relation to the issue shall be disclosed.

The NCDs are rated “**BWR AA+/Negative**” by Brickwork Ratings India Private Limited vide rating letters, both dated September 3, 2021, bearing reference nos. BWR/NCD/MUM/CRC/RAM/0212/2021-22 BWR/NCD/MUM/CRC/RAM/0213/2021-22 and rating rationale dated September 3, 2021. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk. The credit rating letters, the rating rationale and press release are annexed herewith as Annexure IV.

IV. Name, logo, addresses, website URL, email address, telephone number and contact person of debenture trustee to the Issue, credit rating agency for the Issue, registrar to the Issue, statutory auditors and legal counsel (if any).

For details of the above, please refer to “*Information Relating to The Company – General Information*”.

V. About the Issuer

For details about the Issuer, please refer to “*Information Relating to The Company – General Information*”.

VI. Financial Information

For details of the financial information, please refer to Annexure II. For details regarding the key operational and financial parameters and debt: equity ratio of the Company, please refer to “*Information Relating to The Company – General Information*”.

VII. Details of any other contingent liabilities of the issuer based on the last audited financial statements including amount and nature of liability.

For details of the financial information, please refer to Annexure II.

VIII. Objects of the Issue

Our Company proposes to utilise the funds which are being raised through the Issue for its business activities (including for the purpose of onward lending, financing, and for repayment of interest and principal of existing borrowings of the Company); and for general corporate purposes in accordance with applicable law.

IX. A brief history of the Issuer since its incorporation

The Company, as an incorporated legal entity came into existence on July 7, 2006, under the Companies Act, 1956, having been registered on such date with the Registrar of Companies, National Capital Territory of Delhi and Haryana under registration no. U65923DL2006PLC150632 with the name Indiabulls Commercial Credit Limited.

The name of the Company was changed to Indiabulls Infrastructure Credit Limited on January 21, 2009, and further changed to Indiabulls Commercial Credit Limited on March 12, 2015.

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

Brief Timeline:

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

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

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

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

Business of our Subsidiary

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

a. Details of Share Capital as at last quarter end:

For details of share capital as at last quarter end of the Issuer, please refer to “*Information Relating to The Company – Financial Position of the Company*”.

b. Changes in its capital structure as at last quarter end, for the last three years:

For details of changes in capital structure as at last quarter end of the Issuer, for the last three years, please refer to “*Information Relating to The Company – Financial Position of the Company*”.

c. Equity Share Capital History of the Company, for the last three years

For details of Equity Share Capital History of the Company, for the last three years from date of this Placement Memorandum, please refer to “*Information Relating to The Company – Financial Position of the Company*”.

d. Details of any Acquisition of or Amalgamation with any entity in the last 1 year.

For details of any acquisition of or amalgamation with any entity in the last 1 year, please refer to “*Information Relating to The Company – Financial Position of the Company*”.

e. Details of any Reorganization or Reconstruction in the last 1 year

For details of any reorganization or reconstruction in the last 1 year, please refer to “*Information Relating to The Company – Financial Position of the Company*”.

f. Details of the shareholding of the Company as at the latest quarter end, as per the format specified under the listing regulations:

For details of shareholding of the Company as at last quarter end of the Issuer, please refer to “*Information Relating to The Company – Financial Position of the Company*”.

g. List of top 10 holders of equity shares of the Company as at the latest quarter end

For list of top 10 holders of equity shares of the Company as at the latest quarter end, please refer to “*Information Relating to The Company – Financial Position of the Company*”.

X. Details regarding the Directors of the Company

a. Details of the current directors of the Company:

For details of the current directors of the Company, please refer to “*Information Relating to The Company – General Information*”.

b. Details of change in directors since last three years

For details of the change in directors of the Company since the last three years, please refer to “*Information Relating to The Company – General Information*”.

XI. Details regarding the Auditors of the Company

a. Details of the current auditor of the Company:

For details of the current auditor of the Company, please refer to “*Information Relating to The Company – Details regarding the auditors of the Issuer*”.

b. Details of change in auditors since last three years

For details of the change in auditors of the Company since the last three years, please refer to “*Information Relating to The Company – Details regarding the auditors of the Issuer*”.

XII. Details of the following liabilities of the issuer, as at the end of the last quarter or if available, a later date

a. Details of Outstanding Secured Loan Facilities

For details of the outstanding secured loan facilities of the Issuer, please refer to “*Information Relating to The Company – Details of the borrowings of the Company as on June 30, 2021:*”

b. Details of Outstanding Unsecured Loan Facilities:

For details of the outstanding unsecured loan facilities of the Issuer, please refer to “*Information Relating to The Company – Details of the borrowings of the Company as on June 30, 2021:*”

c. Details of Outstanding Non-Convertible Securities

For details of the outstanding non-convertible securities of the Issuer, please refer to “*Information Relating to The Company – Details of the borrowings of the Company as on June 30, 2021:*”

d. List of top 10 holders of non-convertible securities in terms of value (in cumulative basis)

For list of top 10 holders of non-convertible securities of the Issuer, please refer to “*Information Relating to The Company – Details of the borrowings of the Company as on June 30, 2021:*”

e. Details of outstanding Commercial Paper as at the end of the last quarter:

For details of the outstanding commercial paper of the Issuer, please refer to “*Information Relating to The Company – Details of the borrowings of the Company as on June 30, 2021:*”

f. Details of the Rest of the borrowing (if any including hybrid debt like FCCB, Optionally Convertible Debentures / Preference Shares):

For details of rest of the borrowing of the Issuer, please refer to “*Information Relating to The Company – Details of the borrowings of the Company as on June 30, 2021:*”

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

Nil

XIV. Disclosures on Asset Liability Management (ALM) for the latest audited financials:

Details regarding lending out of Issue proceeds and loans advanced by the Company

A. Lending Policy

Overview

We are an NBFC registered with the RBI, which is the regulator for NBFC in India. The RBI stipulates prudential guidelines, directions and circulars in relation to NBFCs.

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

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

Customer Appraisal and Approval Process

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

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

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

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

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

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

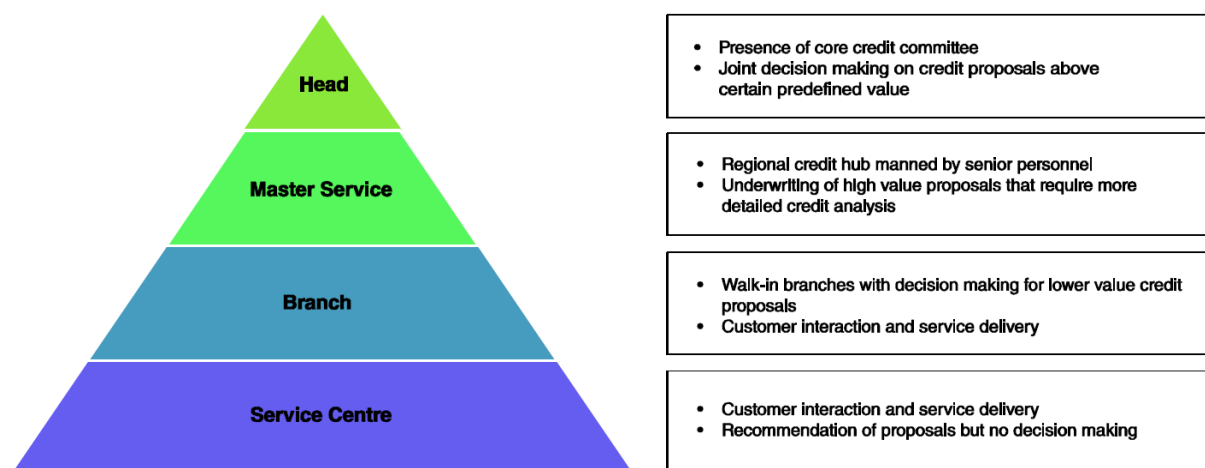
Before disbursing the loan, we must receive either electronic clearance instructions or post-dated cheques from the customer for the EMI payments. We also receive an additional cheque for the principal amount of the loan, which we can present if the loan becomes pre-payable for any reason. Once the direct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

Direct Sales Team

Our customers are sourced by our in-house direct sales team (“DST”), external direct sales agents (“DSAs”) and through branch walk-ins (including that of our parent IHFL). Our "feet-on-street" DST covers and penetrates the urban and semi-urban customer segments. As of March 31, 2021, we had a DST of over 1,363 employees located across our network (including that of our parent IHFL).

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

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



Portfolio Monitoring

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

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

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

Asset Recovery and Non-Performing Loans

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

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

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

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

The following table sets forth details of our non-performing loans (in absolute terms and also as a percentage of AUM) and our provision for impairment due to expected credit loss as at March 31, 2021, 2020 and 2019:

Particulars	Standalone		
	As at March 31,		
	2019	2020	2021
	<i>(in ₹ crores, except percentages)</i>		
Gross NPAs	197.00	347.37	620.20
% of gross NPAs to AUM	1.12%	2.56%	4.49%
Net NPAs	148.65	270.71	404.80
% of net NPAs to AUM	0.84%	2.00%	2.93%
Provision for impairment due to expected credit loss	91.48	267.77	339.56

B. Loans/advances to associates, entities/persons relating to Board, senior management or Promoter or group entities out of the proceeds of previous issues:

Company has not provided any loans or advances to associates, entities or persons relating to the Board, senior management or Promoters out of the proceeds of the previous issues of debt securities.

C. Types of loans

- Types of loans given by the Company on standalone basis as on March 31, 2021 are as follows:

S. No	Particulars	Amount (₹ in crores)	Percentage
1	Secured	9,596.36	77.12
2	Unsecured	2,846.92	22.88
	Total	12,443.28	100.00

- Types of loans according to sectoral exposure as on March 31, 2021 is as follows:

Sr. No.	Segment wise breakup of loan book	Book Split
1	CRE - Residential Housing	32.69%
2	Others	67.31%
	Total	100.00%

- Denomination of loans outstanding by ticket size as on March 31, 2021 are as follows:

S. No.	Ticket size	Percentage of Loan Book (in %)
1	Up to ₹1 Cr	13.73%
2	₹1 Cr – ₹5 Cr	6.29%
3	₹5 Cr-25 ₹Cr	8.86%
4	₹25 Cr-₹75 Cr	23.60%
5	More than ₹75 Cr	47.52%
	Total	100%

- Denomination of loans outstanding by LTV* as on March 31, 2021 are as follows:

S. No	LTV	Percentage of Loan Book (in %)
1	Below 40	33.72%
2	40-50%	11.23%
3	50-60%	25.64%
4	60-70%	26.17%
5	70-80%	3.16%
6	>80%	0.07%
	Total	100%

* LTV at the time of origination.

- Geographical classification of top 5 borrowers as on March 31, 2021 is as follows:

Sr. No.	Regions	Percentage of Loan Book (in %)
1	Maharashtra	35.20%
2	Haryana	29.66%
3	Delhi	15.65%
4	Karnataka	5.72%
5	Gujarat	2.32%

- Maturity profile of total loan portfolio of the Company as on March 31, 2021 is as follows:

Period	Amount (₹ in crores)
1 to 7 days	189.45
8 to 14 days	0.94
15 days to 30 /31 days	96.16
Over one month to 2 months	290.78
Over 2 months to 3 months	261.53
Over 3 months to 6 months	624.17
Over 6 months to 1 year	1,167.92
Over 1 year to 3 years	5,236.02
Over 3 years to 5 years	3,594.70
Over 5 years	981.62
Total	12,443.28

D. Aggregated exposure to top 20 borrowers with respect to concentration of advances as on March 31, 2021

	Amount (₹ in crores)
Total Advances to twenty largest borrowers	3,822.21
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	30.72%

E. Aggregated exposure to top 20 borrowers with respect to concentration of exposures as on March 31, 2021

	Amount (₹ in crores)
Total Exposures to twenty largest borrowers/Customers	3,822.21
Percentage of Exposures to twenty largest borrowers/Customers to Total Advances of the NBFC on borrowers/Customers	30.72%

F. Details of loans overdue and classified as non – performing assets in accordance with the RBI guidelines as at March 31, 2021

Movement of gross NPAs	Amount (₹ in crores)
(a) Opening balance	347.37
(b) Additions during the year	835.80
(c) Reductions during the year	562.97
(d) closing balance	620.20

Movement of provisions for NPAs (excluding provisions on standard assets)	Amount (₹ in crores)
(a) Opening balance	76.66
(b) Additions during the year	585.92
(c) Reductions during the year	447.18
(d) closing balance	215.40

Movement of NPAs

Particulars	Year Ended March 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
(I) Net NPAs to Net Advances (%)	3.25%	2.29%	0.95%
(II) Movement of NPAs (Gross)			
a) Opening balance	347.37	197.00	49.49
b) Additions during the year	835.80	988.16	151.52
c) Reductions during the year	562.97	837.79	4.01
d) Closing balance	620.20	347.37	197.00
(III) Movement of Net NPAs			
a) Opening balance	270.71	148.65	37.35
b) Additions during the year	134.09	122.06	111.30
c) Reductions during the year	-	-	-
d) Closing balance	404.80	270.71	148.65
(IV) Movement of provisions for NPAs (excluding provisions on standard assets)			
a) Opening balance	76.66	48.35	12.14
b) Provisions made during the year	585.92	28.31	36.21
c) Write-off/write-back of excess provisions	447.18	-	-
d) Closing balance	215.40	76.66	48.35

G. Segment –wise gross NPA as on March 31, 2021

S. No	Segment- wise breakup of gross NPAs	Gross NPA (%)
1	CRE - Residential Housing	5.34%
2	Residential Mortgages and Others	4.82%
	Total Loans	4.98%

H. Concentration of Exposure and NPA as of March 31, 2021

(₹ in crores)

Particulars	FY 21	FY 20	FY 19
Gross NPA / Gross Stage 3	620.20	347.37	197.00
Net NPA / Net Stage 3	404.80	270.71	148.65
Total Exposure to top 4 NPA accounts	384.06	148.14	121.59

ECL allowance Stage 3 on a standalone basis derived from the Reformatted Financial Information for Fiscal 2021 was ₹215.40 crores.

I. Promoter Shareholding

There is no change in promoter holdings in the Company beyond the threshold level of 26% prescribed by RBI during the last financial year.

J. Residual maturity profile of assets and liabilities as on March 31, 2021

(₹ in crores)

	1 to 30/31 days (one month)	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 to 5 years	Over 5 years	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	409.78	313.31	270.37	674.55	1,185.43	5,831.61	3,595.83	987.96	13,268.84
Investments	16.61	-	-	21.46	15.45	911.44	-	23.33	988.29
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Borrowings	27.11	8.38	231.38	2,948.78	891.62	2,994.88	210.28	510.62	7,823.05
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

XV. Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities and other financial indebtedness including corporate guarantee issued by the Company, in the past three years including the current financial year.

For details of any default/s and/or delay in payments of interest and principal, please refer to “Information Relating to The Company – Details of the borrowings of the Company”.

XVI. Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/promoters, litigations resulting in material liabilities, corporate restructuring event, etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities.

No such material event/development or change has taken place.

XVII. Any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of the Placement Memorandum against the promoter of the Company

For details of any litigation or legal action pending or taken by a Government Department or a statutory body during the last three years immediately preceding the year of the issue of the Placement Memorandum against the promoter of the Company please refer to Annexure III.

XVIII. Details of default and non-payment of statutory dues

For details of the defaults and non-payment of statutory dues by the Company, please refer to “*Information Relating to The Company – General Information*”.

XIX. Debenture Trustee

Beacon Trusteeship Limited has, pursuant to Regulation 8 of SEBI NCS Regulations, by its letter dated September 15, 2021, given its consent for its appointment as Debenture Trustee to the Issue and for its name to be included in this Placement Memorandum and in all the subsequent periodical communications sent to the holders of the NCDs issued pursuant to this Issue. For further details, please see Annexure VI.

All the rights and remedies of the NCD Holders under this Issue shall vest in and shall be exercised by the appointed Debenture Trustee for this Issue without having it referred to the NCD Holders. All investors under this Issue are deemed to have irrevocably given their authority and consent to the Debenture Trustee so appointed by our Company for this Issue to act as their trustee and for doing such acts, deeds, matters, and things in respect of or relating to the Debenture Holders as the Debenture Trustee may in his absolute direction deem necessary or require to be done in the interest of Debenture Holders and signing such documents to carry out their duty in such capacity. Any payment by our Company to the NCD Holders / Debenture Trustee, as the case may be, shall, from the time of making such payment, completely and irrevocably discharge our Company pro tanto from any liability to the NCD Holders.

The Company shall pay to the Debenture Trustee, so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all mutually agreed costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other documents executed/to be executed to give effect to the creation of security for securing the Debentures and such any other expenses like advertisement, notices, letters to debenture holders, and additional professional fees/expenses that would be incurred in case of default. The remuneration of the Debenture Trustee shall be as per the offer letter no. 16375/CL/MUM/21-22/DEB/72 dated September 1, 2021, 2021 as may be amended/modified from time to time. The Company agreed to pay to the Debenture Trustee an amount of Rs 15,00,000 (plus applicable taxes) as acceptance of the offer.

The terms of this Placement Memorandum shall be effective only upon the submission by the Company of the requisite information and documents to the satisfaction of the Debenture Trustee for carrying out the requisite due diligence as required in terms of the relevant laws including in connection with verification of the security / contractual comforts and the required asset cover for the Debentures, which is undertaken by the Company to be submitted simultaneously with or prior to the execution of this Placement Memorandum. Without prejudice to the aforesaid, the Company shall provide to the Debenture Trustee on or prior to date of execution of this Placement Memorandum, all the information hereto including the undertakings in relation to their assets substantially in the format set out in Debenture Trustee Agreement as applicable. The Debenture Trustee, ipso facto does not have the obligations of a borrower or issuer or a principal debtor as to the monies paid/invested by investors for the Debentures and the recovery of 100% of the amount shall depend on the market scenario prevalent at the time of enforcement of the Debentures.

The due diligence certificate from the Debenture Trustee to be given at the time of filing the Placement Memorandum, in accordance with the SEBI NCS Regulations and the SEBI circular titled 'Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s)' dated November 3, 2020, is annexed as Annexure VII.

Debenture Trustee Agreement

The Debenture Trustee has executed Debenture Trustee Agreement dated September 15, 2021 and as per the Debenture Trustee Agreement, the Debenture Trustee is entitled to the remuneration and all reasonable costs, charges, travelling, legal and expenses as set out in the offer letter no. 16375/CL/MUM/21-22/DEB/72 dated September 1, 2021, appended herein as Annexure VI for its services as the Debenture Trustee. Under the Debenture Trustee Agreement, the Company has agreed to provide the details of the bank account from which the Company proposes to make the payment of redemption amount due to the Debenture Holder prior to the execution of the Debenture Trust Deed. The Company has agreed to create a charge over the Security and provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets of the Company or any third-party security provider for securing the Debentures, are registered / disclosed.

Under the Debenture Trustee Agreement, the Debenture Trustee have the responsibility to conduct a due-diligence (either through itself or its agents /advisors/consultants which it shall have the power to appoint) and to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the Security as stipulated in the disclosure documents and the relevant laws has been obtained and the power to examine the books of account of the Company and to have the Company's assets inspected.

In order to conduct such diligence as per the Debenture Trustee Agreement, the Company has agreed to provide all information to the Debenture Trustee.

XX. Terms of carrying out due diligence

1. The Debenture Trustee, either through itself or its agents/advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) as may be required to create the security as stipulated in the disclosure documents and the relevant laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the relevant laws, the Debenture Trustee, either through itself or its agents/advisors /consultants, shall have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts/management consultants appointed by the Debenture Trustee.
2. The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, depositories, information utility or any other authority, as may be required, where the assets and/or prior encumbrances in relation to the assets of the Company or any third-party security provider for securing the Debentures, are registered/disclosed.
3. Further, in the event that existing charge holders or the concerned Trustee on behalf of the existing charge holders, have provided conditional consent/permissions to the Company to create further charge on the assets, the Debenture Trustee shall also have the power to verify such conditions by reviewing the relevant transaction documents or any other documents executed between existing charge holders and the Company. The Debenture Trustee shall also have the power to intimate the existing charge holders about proposal of creation of further encumbrance and seeking their comments/objections, if any.
4. Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the relevant laws.

5. The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company.

XXI. Process of due diligence carried out by Debenture Trustee

Due diligence will be carried out as per SEBI (Debenture Trustees) Regulations, 1993, SEBI NCS Regulations and circulars issued by SEBI from time to time.

XXII. Guarantee/Letter of Comfort

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

XXIII. Cash flow with date of interest/redemption payment as per day count convention

Illustrative cash flows for the issue are set out in Annexure VIII.

Day Count Convention

In accordance with SEBI Operational Circular, cash flows emanating from the NCDs, shall accrue based on an actual/actual day count convention.

XXIV. Wilful Defaulters

The Company, its directors and promoters have not been declared as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

XXV. Risk Factors

For risk factors pertaining to investment in the issue, please refer to “*Risk Factors*”.

XXVI. Other Details

a) Creation of Debenture Redemption Reserve (DRR)

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules 2014, notified on August 16, 2019, and as on the date of filing of this Placement Memorandum, our Company is not required to create DRR for the purpose of redemption of the NCDs. Accordingly, no debenture redemption reserve shall be created by our Company for the purpose of redemption of the NCDs or in connection with the Issue.

Further, the Company hereby agrees and undertakes that, if during the currency of these presents, any further guidelines are formulated (or modified or revised) by the central government or any other authority in respect of creation of DRR, the Company shall abide by such guidelines.

b) Issue/instrument specific regulations

The regulations set out below are not exhaustive and are only intended to provide general information to investors and are neither designed nor intended to be a substitute for professional legal advice in relation to the NCDs. Laws applicable to the Company in general have not been included below. The statements below are based on the current provisions of Indian law and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

Regulations relating to the NCDs

Issuance

The provisions of Section 71 of the Companies Act and the SEBI NCS Regulations govern the issuance of the NCDs. The Company shall issue secured debentures in accordance with the provisions of Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014.

Redemption

The Company shall pay interest and redeem the NCDs in accordance with the terms of the Issue set out in this Placement Memorandum and the provisions of Section 71 of the Companies Act.

Debenture Redemption Reserve

It is hereby clarified that as on the date of the Placement Memorandum, the Company is not required to create and maintain DRR in terms of the Companies Act and other applicable rules and regulations. Further, the Company hereby agrees and undertakes that, if during the currency of these presents, any further guidelines are formulated (or modified or revised) by the central government or any other authority in respect of creation of DRR, the Company shall abide by such guidelines.

Debenture Trust Deed

The Company shall execute a debenture trust deed with the Debenture Trustee before making an application to the Stock Exchanges for listing of the NCDs.

c) Default in Payment

As per the SEBI Operational Circular, in case of default (including delay) in payment of any Interest on any of the Interest Payment Date and/ or principal on the Redemption Date or on any early redemption/prepayment date in terms of the Debenture Trust Deed, the Company shall pay to the NCD Holders default interest at the rate of at least 2% (two percent) per annum (“Default Rate”) on the defaulted amount in respect of the NCDs over and above the payment of Interest at the Interest Rate. The Default Interest as above shall be payable for the period commencing from (but including) the date of default until the date on which such amount is actually paid.

d) Event of Default

Following is an indicative list of events/circumstances which can be an Event of Default:

- Default in redemption of debentures and payment of interest;
- Default in performance of covenants and conditions;
- Supply of misleading information in the application by the Company to the Debenture Holder(s) for financial assistance by way of subscription to the Debentures;
- Proceedings against the company under bankruptcy or insolvency law.
- If the security is in jeopardy;
- Company ceases to carry on its business
- If an order has been made by a competent forum having final jurisdiction or a special resolution has been passed by the members of the Company for winding up of the Company;
- Material breach in terms of the debenture documents, if such breach is not remedied within 45 days;
- If the Company does not comply with its material obligations and undertakings in relation to the NCDs or the Debenture Trust Deed, if such non-compliance is not remedied within 45 days;
- Company commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law or consents to the appointment of a receiver, liquidator or assignee for a substantial part of its property or takes any action towards its reorganisation, liquidation or dissolution;
- It becomes unlawful for the Company to perform or comply with its material obligations under any of the NCDs or the Debenture Trust Deed;
- Any step is taken by any governmental authority or agency with a view to the seizure, compulsory acquisition, expropriation or nationalisation of the material part of the assets of the Company which if capable of being discharged, is not discharged within a period of 120 days;
- If any extraordinary circumstances which are beyond the control of the Company have occurred which make it improbable for the Company to fulfill its material obligations under the debenture documents and/or the NCDs; and
- If in the opinion of the Debenture Trustee, the security of the NCDs is in jeopardy.

For further details on Events of Default (including manner of voting/conditions for joining inter creditor agreement), please refer the Debenture Trust Deed.

In accordance with the circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI on “Standardisation of procedure to be followed by Debenture Trustee(s) in case of ‘Default’ by Issuers of listed debt securities”, post the occurrence of a “default”, the consent of the NCD Holders for entering into an inter-creditor agreement (the “ICA”) /enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.

It is hereby confirmed, in case of an occurrence of a “default”, the Debenture Trustee shall abide and comply with the procedures mentioned in the abovementioned circular (SEBI/HO/MIRSD/CRADT/CIR/P/2020/203) dated October 13, 2020 issued by SEBI.

Where the issuer has defaulted in payment of interest or redemption of debt securities or in creation of security in accordance with the terms of the offer document, any distribution of dividend shall require approval of the debenture trustee.

e) Delay in Listing

As per the SEBI Operational Circular, the Company shall ensure that the NCDs are listed on wholesale debt market segment of NSE and BSE within 4 (four) trading days from the date of the closure of the Issue.

In case of delay in listing of securities issued beyond the timelines specified above, the Company shall:

- (i) pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing); and
- (ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from stock exchanges.

f) Delay in allotment of Securities

As per Company Act 2013 under section 42(6) of the Act, the Company shall allot the NCDs within (60) sixty days from the date of receipt of the application money for such NCDs and if the Company is not able to allot the NCDs within such period, it shall repay the application money to the subscribers within fifteen days from the date of completion of (60) sixty days and if the Company fails to repay the application money within the aforesaid period, it shall be liable to repay such money with interest at the rate of 12% p.a. from the expiry of the sixtieth day. On the happening of any of the event of default, in addition to the rights specified above, the NCD Holders shall have the right as indicated in the SEBI Regulations/ Company Act 2013 from time to time.

g) Issue Details

Please refer to the “*Term Sheet*”.

The clauses mentioned below are generally applicable to every issue; however in specific issue these are amended/ modified as per the agreement between the issuer and investor.

Authority for the issue

The present issue of NCDs is being made pursuant to the resolution of the Board of Directors of the Company in the meeting held on January 10, 2019 authorizing the officials of the Company to issue NCDs aggregating to an amount of upto ₹5,000 crores and to sign the relevant documents and subject to the Memorandum and Articles of Association of the Company.

The issue of NCDs aggregating to an amount ₹20,000 crores on private placement basis under Section 42 of the Companies Act, 2013 has been approved by the shareholders of the Company in the Annual General Meeting of

the Company held on July 29, 2021 out of which the limit of the current issue of ₹2,000 crores is currently subsisting.

The borrowing is within the general borrowing limits set out in the resolution passed under section 180(1)(c) of companies Act 2013, at the Extraordinary General Meeting of the Company held on August 1, 2018 giving their consent to the borrowing by the Directors of the Company from time to time upto ₹20,000 crores. The borrowings under this issuance will be within the prescribed limits as aforesaid.

Who Can Apply

The investors, who are specifically contacted, are eligible to invest in these NCDs. For further details, please refer to “*Term Sheet*”.

Minimum subscription:

Ten NCDs of Rs. 10,00,000 each and in multiple of one NCD thereafter. The entire subscription amount is required to be paid with the application.

Electronic Book Mechanism

The Company will comply with the provisions of the SEBI Operational Circular, Chapter VI issued by the Securities and Exchange Board of India, including any amendments issued by Securities and Exchange Board of India from time to time and the guidelines issued by the stock exchanges in relation to the electronic book mechanism.

KYC Policy

In terms of its KYC Policy, the company is required to verify the identity, address and financial background of its customers, including investors so as to ensure that the company is not used as a conduit for money laundering or terrorism financing purposes.

Notwithstanding the fact that the NCDs are issued in “compulsory demat mode” and that the necessary KYC compliance may have been conducted by the concerned depository participant(s) and/or other capital market intermediaries at the time of acceptance of the applicant as their customer under the applicable KYC norms, submission of valid KYC documents whilst subscribing to the NCDs is mandatory.

Accordingly, all applicants are requested to submit complete KYC documents to the Company along with the application form.

If the KYC documents submitted by an applicant at the time of subscribing to the NCDs are found incomplete or invalid, the Company shall be entitled to withhold the allotment of the NCDs pending receipt of complete KYC documents from such applicant.

In case the Company is constrained to withhold the allotment of NCDs on account of non-submission of complete KYC documents by the applicant as aforesaid, it shall be at the sole risk of such applicant and the company shall not be liable to compensate for any losses caused or suffered by them on this account, nor shall the company be liable to pay any interest on the application money for such period during which the allotment of Debentures is withheld.

Mode of Subscription

During the period of the issue, investors can subscribe to the Debentures by completing the applications form for the Debentures in the prescribed form, as enclosed in the Placement Memorandum. The application form should be filled in block letters in English. Application forms must be accompanied by necessary documents. The payment has to be made through Real Time Gross Settlement (RTGS)/ direct credit or any other acceptable mode in such a way that the credit has to come in Company’s bank account as mentioned on EBP at the time of bidding on the pay in date before close of banking hours. In case, the credit is not received in the account the application would be liable to be rejected. Company assumes no responsibility for non-receipt of application money due to any technical reasons. For detailed instructions please see Annexure I.

Allotment Basis

Acceptance of the offer to invest and the allotment shall be decided by the Company. The Company reserves the right to reject in full or part any or all of the offers received by them to invest in the debentures without assigning any reason for such rejection.

Acceptance of the offer shall be subject to completion of subscription formalities as detailed in the application form.

Interest on Application Money

As per Section 42 of the Companies Act, 2013, a company making an offer or invitation shall allot its securities within 60 days from the date of receipt of the application money for such securities and if the company is not able to allot the securities within that period, it shall repay the application money to the subscribers within 15 days from the expiry of 60 days and if the company fails to repay the application money within the aforesaid period, it shall be liable to repay that money with interest at the rate of 12% per annum from the expiry of the sixtieth day.

Interest on Debentures

The Debentures shall carry interest on the outstanding principal at the respective Coupon Rate, from the date of allotment till one day before the date of redemption (subject to deduction of tax at source at the then prevailing rates under the provisions of the Income-tax Act, 1961 or any other statutory modification or re-enactment thereof). Interest payment will be made by way of RTGS/Direct Credit/NEFT/cheque(s)/interest warrant(s)/demand draft(s). The last interest shall be paid along with the last principal repayment.

Payment of Interest

The interest payments will be made to the registered Debenture holders recorded in the books of the Company and / or as per the list provided by the Depository, and in case of joint holders, to the one whose name stands first in the Register of Debenture holders as on the record date.

In the event of the Company/ Registrar not receiving any notice of transfer from the investor's Depository Participant, before the record date for payment of interest/ repayment of principal, the transferee(s) for the Debentures shall not have any claim against the Company in respect of interest/ principal paid to the registered Debenture holders.

It is the sole responsibility of the investor on the record date to update and inform correct RTGS and beneficiary account details to the registrar on or before the record date. In case of rejection of RTGS on account of incorrect details Company shall not be responsible for any non-payment claimed by the investor.

Effect of Holidays

Day Count Convention: Actual/Actual

Should any of dates defined in this Placement Memorandum, excepting the Deemed Date of Allotment, fall on a day which is not a business day ("business day", being any day in Mumbai from Monday to Saturday and excluding a day that is a Bank holiday in Mumbai and a day on which Commercial Banks are open for business in Mumbai), (i) the next business day will be considered as the effective dates(s) for Coupon payment and (ii) the previous business day will be considered as the effective dates(s) for principal redemption.

In case an interest payment date falls on a Sunday or a day on which banks are closed for business in Mumbai, the payment due shall be made on the next working day (i.e. the effective date). However no interest for the intervening period will be paid and the dates of future coupon payments would be as per the schedule originally stipulated at the time of issuing the security.

In case the put /call option date or the principal redemption date falls on a Sunday or a day on which banks are closed for business in Mumbai, the payment due shall be made on the previous working day (i.e. the effective date as defined above) together with interest accrued till and including one day prior to the previous working date.

Computation of Interest

A) Interest Computation

The interest shall be computed on the basis of actual number of days for the interest period /actual days on outstanding principal. In case an interest payment date falls on a Sunday or a day on which banks are closed for business in Mumbai, the interest payment due shall be made on the next working day (i.e. the effective date).

B) Interest Computation at the time of redemption

The interest shall be computed on the basis of actual number of days for the interest period /actual days. The interest on the Debentures/ would be payable on the outstanding principal till the final redemption of the instruments. In the case where the final redemption date falls on a Sunday or a day on which banks are closed for business in Mumbai, the interest payment would be made on the previous working day. Interest in such an event will be calculated on the outstanding principal from last interest payment date till & including one day prior to the previous working date i.e. the day on which redemption payment is made.

Payment on Redemption

The payment of the redemption amount of the Debentures will be made by the Company to the Registered Debenture holders recorded in the books of the Company and in the case of joint holders, to the one whose name appears first in the Register of Debenture holders as on the record date.

The Debentures held in the Dematerialized Form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered Debenture holders whose name appears in the Register of Debenture holders on the record date. Such payment will be a legal discharge of the liability of the Company towards the Debenture holders. On such payment being made, the Company will inform NSDL/ CDSL and accordingly the account of the Debenture holders with NSDL/ CDSL will be adjusted.

The Company's liability to the Debenture holders towards all their rights including for payment or otherwise shall cease and stand extinguished from the due dates of redemption in all events. Further, the Company will not be liable to pay any interest or compensation from the dates of such redemption. On the Company dispatching the amount as specified above in respect of the Debentures, the liability of the Company shall stand extinguished.

It is the sole responsibility of the investor on the record date to update and inform correct RTGS and beneficiary account details to the registrar on or before the record date. In case of rejection of RTGS on account of incorrect details Company shall not be responsible for any non-payment claimed by the investor.

Tax Deduction at Source

Under Section 193 (ix) of the Income Tax Act, 1961, tax will not be deducted at source (TDS) on the interest income in case debentures are held in demat form and are listed on recognized Stock Exchange. If debentures are held in other than demat form, Tax will be deducted at source as per applicable rate unless exempted as per the provisions of the law.

Debenture holders should also consult their own tax advisors on the tax implications of the acquisition, ownership and sale of the Debentures, and income arising thereon.

Purchase/ Sale of Debentures

The Company may, at any time and from time to time, purchase Debentures at discount, at par or at premium in the open market. Such Debentures may, at the option of the Company, be cancelled, held or resold at such a price and on such terms and conditions as the Company may deem fit and as permitted by law.

Re-issue of Debentures

Where the Company has redeemed any such Debentures, and other applicable provisions, the Company shall have and shall be deemed always to have had the right to keep such Debentures alive for the purpose of re-issue and in exercising such right, the Company shall have and shall be deemed always to have had the power to re-issue such Debentures either by re-issuing the same Debentures or by issuing other Debentures in their place.

Right to accept and reject applications

The Company can at its absolute discretion accept or reject any application, in full or in part, without assigning any reasons thereof. The Application Forms that are not complete in all respects are liable to be rejected. The full amount of the Debentures has to be paid along with the Application Form.

Mode of Transfer

All requests for transfer should be submitted to the respective Depository Participants prior to the Record Date for payment of interest/ principal.

Provided further that nothing in this section shall prejudice any power of the Company to register as Debenture holder any person to whom the right to any Debenture of the Company has been transmitted by operation of law. Transfer of Debentures would be in accordance with the rules / procedures as prescribed by NSDL / CDSL / Depository participant.

Register of Debenture holders

The Company shall maintain Register of Debenture holders containing necessary particulars at its Registered Office/ Registrar & Share Transfer Agent's office.

Succession

In the event of demise of the sole/first holder of the Debentures, the Company will recognize the executor or administrator of the deceased Debenture holder, or the holder of succession certificate or other legal representative as having title to the Debentures. The Company shall not be bound to recognize such executor, administrator or holder of the succession certificate, unless such executor or administrator obtains probate or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a court in India having jurisdiction over the matter. The Directors of the Company may, in their absolute discretion, where they think fit, dispense with production of probate or letter of administration, in order to recognise such holder as being entitled to the Debentures standing in the name of the deceased Debenture holder on production of sufficient documentary proof or indemnity.

Rights of Debenture holders

The Debenture holder(s) will not be entitled to any of the rights and privileges available to the shareholder(s) of the Company. The Debenture holders are entitled to receive Interest and Principal repayment on due date. The Debentures and other liabilities of the Company shall rank *pari-passu* inter-se without preference or priority of one over the other(s) except Tier II subordinate bond.

Modification of Rights

The rights, privileges and conditions attached to the Debentures may be varied, modified and/or abrogated either with the consent of the Trustees for the debentures as per the Trusteeship agreement or with the consent in writing of the holders of at least three-fourths of the outstanding amount of the Debentures or with the sanction of Special Resolution passed at a meeting of the Debenture holders, provided that nothing in such consent or resolution shall be operative against the Company, where such consent or resolution modifies or varies the terms and conditions governing the Debentures, if the same are not acceptable to the Company.

Notice

The notice to the Debenture holder required to be given by the Company or the Trustees shall be deemed to have been given if sent by ordinary post to the sole/first allottee or sole/first registered holder of the Debentures, as the case may be.

All notices to be given by the Debenture holder shall be sent by ordinary post or by hand delivery to the Company or to such persons at such address as the Company may notify from time to time.

Application under Power of Attorney

In the case of applications made under Power of Attorney or by limited companies, corporate bodies, registered societies, trusts etc. a certified true copy of the Power of Attorney or the relevant authority, as the case may be along with a certified copy of the Memorandum & Articles of Association and/or Bye Laws and/or the Deed of Trust and the certified true copy of the Board Resolution, must be lodged along with the application or sent directly to the Company along with a copy of the Application Form.

Consents

The Company undertakes that the no-objection certificates/consent from the prior Trustees and existing charge holders for creation of *pari passu* charge being created under the Debenture Trust Deed, where applicable, in favour of the trustees to the proposed issue has been obtained.

Consents in writing of the Registrars to the Placement to act in their respective capacity has been obtained and submitted, along with a copy of this Placement Memorandum, to the designated stock exchange and such consents have not been withdrawn up to the time of delivery of the Placement Memorandum to the said Stock Exchange.

h) Disclosures prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014

For disclosures prescribed under PAS-4, please refer to “*Disclosures as per Form PAS-4*”.

i) Application Process

Applications for the Debentures must be on EBP and the Issuer shall accordingly notify the details of each such issuance of Debentures as per the SEBI Operational Circular, Chapter VI issued by the Securities and Exchange Board of India. The payment has to be made through Real Time Gross Settlement (RTGS)/ direct credit or any other acceptable mode in such a way that the credit has to come in Company’s bank account as mentioned on electronic bidding platform at the time of bidding on the pay in date before close of banking hours. In case, the credit is not received in the account the application would be liable to be rejected. Company assumes no responsibility for non-receipt of application money due to any technical reasons.

j) Documents Submitted

1. The following documents have been/ shall be submitted to the Stock Exchanges:
 - a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
 - b) Copy of last 3 years audited annual reports;
 - c) Statement containing particulars of dates of and parties to all material contracts and agreements;
 - d) Copy of the Board / Committee Resolution authorizing the borrowing and list of authorized signatories;
 - e) An undertaking from the Issuer stating that the necessary documents for the creation of the charge, wherever applicable, including the Debenture Trust Deed would be executed within the time frame prescribed in the relevant regulations/acts/rules etc., and the same would be uploaded on the website of the Designated Stock Exchange, where the Debentures would be listed, within five working days of execution of the same;
 - f) Due diligence certificate issued by the Debenture Trustee as per Schedule IV of the SEBI (Issue and Listing of Non Convertible Securities) Regulations, 2021 and SEBI circular dated 3 November 2020;
 - g) Any other particulars or documents that the recognized stock exchange may call for as it deems fit; and
 - h) An undertaking that permission / consent from the prior creditor for a *pari passu* charge being created in favor of the trustees to the proposed issue has been obtained.

2. The following documents have been/ shall be submitted to the Debenture Trustee:

- a) Memorandum and Articles of Association of the Issuer and necessary resolution(s) for the allotment of the Debentures;
- b) Copy of last 3 years audited annual reports;
- c) Statement containing particulars of dates of and parties to all material contracts and agreements;
- d) Copy of examination report and reformatted financial statements for fiscals 2021, 2020 and 2019;
- e) An undertaking to the effect that the Issuer would, until the redemption of the debt securities, submit the details mentioned in point (d) above to the Debenture Trustee within the timelines as mentioned in the Simplified Listing Agreement issued by SEBI vide circular No. SEBI/IMD/BOND/1/2009/11/05 dated May 11, 2009/ Uniform Listing Agreement as prescribed in SEBI's circular no. CFD/CMD/6/2015 dated October 13, 2015 as amended from time to time, for furnishing / publishing its half yearly/ annual results. Further, the Issuer shall within 180 (One Hundred and Eighty) days from the end of the financial year, submit a copy of the latest annual report to the Debenture Trustee and the Debenture Trustee shall be obliged to share the details submitted under this clause with all 'Qualified Institutional Buyers' (QIBs) and other existing debenture-holders within 2 (Two) working days of their specific request.

k) Material Contracts and Agreements

Set out below is the statement containing particulars of, dates of, and parties to the material contracts and agreements of the Company:

- a) Memorandum of Association and Articles of Association of the Company
- b) Certificate of Registration issued by Reserve Bank of India under Section 45IA of Reserve Bank of India Act 1934.
- c) Annual Reports for the three years
- d) Letters and rationale each dated September 3, 2021 from Brickwork Ratings Limited assigning a rating of "BWR AA+/Negative".
- e) Resolutions:
 - (i) Shareholders' Resolution dated July 29, 2021 authorizing the board to make offers or invitations to the eligible persons to subscribe to the NCDs of the company on private placement basis within the overall borrowing limits approved by the members from time to time and
 - (ii) Board Resolution dated January 10, 2019 delegating the authority for borrowing of funds.
 - (iii) Shareholders resolution dated August 1, 2018 under section 180(1)(c) of the Companies Act
- f) Two Tripartite agreements have been signed as below:
 - (i) Between the Company, M/s. KFin Technologies Private Limited, and NSDL.
 - (ii) Between the Company, M/s. KFin Technologies Private Limited, and CDSL.
- g) Consent letter dated 15 September 2021 given by Beacon Trusteeship Limited for acting as trustees for the debentures offered under this issue.

The above material documents contracts will be available for inspection between 10.00 a.m. and 12 noon. on all working days at the corporate office of the Company.

The Auditor certificate as required is attached. The same is also provided to Debenture Trustee.

XXVII. Term Sheet

Security Name	Series I	Series II	Series III
	ICCL September 21, 2023	ICCL September 21, 2024	ICCL September 21, 2026
Issuer	Indiabulls Commercial Credit Limited		
Type of instrument/ Name of the security	Secured Redeemable Non-Convertible Debentures The NCDs issued under this Issue shall not form part of the non-equity regulatory capital of the Company.		
Mode of Issue	Private Placement		
Nature of the instrument	Secured Redeemable Non-Convertible Debentures		
Seniority	Senior		

Eligible investors	Only the persons who are specifically addressed through direct communication by or on behalf of the Company are eligible to apply for the NCDs. An application made by any other person will be deemed as an invalid application and rejected.		
Listing	The Instrument would be listed within 4 working days from the date of closure of issue as per the SEBI Operational Circular. The NCDs are proposed to be listed on the wholesale debt segment of National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE” and together with NSE, the “Stock Exchanges”).		
Credit ratings	The NCDs are rated “BWR AA+/Negative” by Brickwork Ratings India Private Limited vide letters and rationale, dated September 3, 2021. Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. For the rating letters, rationale and press release from the Credit Rating Agency please see Annexure IV.		
Issue Size	Rs. 2,000 crores		
Minimum Subscription	10 Debentures of Rs. 10,00,000/- each and in multiple of 1 Debenture thereafter		
Option to retain Oversubscription (Amount)	N.A.		
Objects of the Issue	Our Company proposes to utilise the funds which are being raised through the Issue for its business activities (including for the purpose of onward lending, financing, working capital requirements, short term cash flow mismatches, and for repayment of interest and principal of existing borrowings of the Company); and for general corporate purposes in accordance with applicable law.		
Details of utilisation of the proceeds	Up to 100% funds will be utilized within the categories mentioned in the objects of the issue.		
Coupon Rate	Series I	Series II	Series III
	8.60% p.a. (payable annually)	8.75% p.a. (payable annually)	9.00% p.a. (payable annually)
Step up/ Step down Coupon rate	N.A.		
Coupon Payment Frequency	Annually from the date of allotment & at Maturity		
Coupon payment dates	Annually from the date of allotment & at Maturity		
Coupon Type (Fixed, floating or other structure)	Fixed		
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc)	N.A.		
Day Count Basis (Actual/Actual)	Actual/Actual		
Interest on Application Money	As per Section 42 of the Companies Act, 2013, a company making an offer or invitation shall allot its securities within 60 days from the date of receipt of the application money for such securities and if the company is not able to allot the securities within that period, it shall repay the application money to the subscribers within 15 days from the expiry of 60 days and if the company fails to repay the application money within the aforesaid period, it shall be liable to repay that money with interest at the rate of 12% per annum from the expiry of the 60 th day.		
Default Interest Rate	<p>a) Default in Payment</p> <p>In case of default in payment of Interest and/or principal redemption on the due dates , additional interest of at least @ 2% p.a. over the coupon rate shall be payable by the company for the defaulting period.</p> <p>b) Delay in Listing</p>		

	<p>As per the SEBI Operational Circular, the Company shall ensure that the NCDs are listed on wholesale debt market segment of NSE and BSE within 4 (four) trading days from the date of the closure of the Issue.</p> <p>In case of delay in listing of securities issued beyond the timelines specified above, the Company shall:</p> <p>(i) pay penal interest of 1% p.a. over the coupon rate for the period of delay to the investor (i.e. from the date of allotment to the date of listing); and</p> <p>(ii) be permitted to utilise the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from stock exchanges.</p>		
Delay in execution of Debenture Trust Deed	<p>The issuer and the Debenture Trustee shall execute the Debenture Trust Deed within such timelines as may be specified by the Board. Where an Issuer fails to execute the Debenture Trust Deed within the period specified, without prejudice to any liability arising on account of violation of the provisions of the Companies Act, 2013 and SEBI (Issue and Listing of Non Convertible Securities), 2021, the Issuer shall also pay interest of at least 2% (two percent) per annum or such other rate, as specified by the Board to the holder of debt securities, over and above the agreed Coupon Rate, till the execution of the Debenture Trust Deed.</p>		
Tenor	Series I 2 years	Series II 3 years	Series III 5 years
Issue Size per Series	INR 200 crores	INR 600 crores	INR 1,200 crores
Redemption Date	Series I 2 years from date of allotment, i.e., September 21, 2023	Series II 3 years from date of allotment, i.e., September 21, 2024	Series III 5 years from date of allotment, i.e., September 21, 2026
Redemption Amount	Rs. 10,00,000/- per NCD		
Redemption Premium /Discount	At Par		
Issue Price	At Par		
Discount at which security is issued and the effective yield as a result of such discount.	N.A.		
Put Date	N.A.		
Put Price	N.A.		
Call Date	N.A.		
Call Price	N.A.		
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	N.A.		
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	N.A.		
Face Value	Rs. 10,00,000/- per NCD		
Minimum Application and in multiples of thereafter	10 Debentures of Rs. 10 lakhs each and in multiple of 1 Debentures thereafter		
Issuance mode of the Instrument	Demat only		
Trading mode of the Instrument	Demat only		
Issue Timing			
• Issue/Bid Opening Date	September 20, 2021		
• Issue/Bid Closing Date	September 20, 2021		
• Date of earliest closing of the issue, if any	September 20, 2021		
	September 21, 2021		

<ul style="list-style-type: none"> • Pay-in Date • Deemed Date of Allotment 	September 21, 2021
Settlement mode of the Instrument	Payment of coupon and repayment of principal shall be made by way of direct credit/ RTGS/ NECS/ NEFT or any other electronic mode offered by banks.
Bid Book Type	Open Bidding
Allocation Option	Uniform Price
Pay-in Funds through	Indian Clearing Corporation Limited
Depository	NSDL and/ or CDSL
Disclosure of interest/ redemption dates	Please refer to the cash flows set out in Annexure VIII
Record Date	The record date will be 15 days prior to each interest payment / principal repayment date
All covenants of the issue (including side letters, accelerated payment clause, etc.)	<p>The major covenants of the issue include:</p> <ul style="list-style-type: none"> • Interest rate, computation of interest, payment of interest; • Interest on application money; • Business day, record date; • Redemption, payment of redemption amount; • Listing and Rating; • Mode of transfer of NCDs; • Execution of Debenture Trust Deed and charge documents, as may be required; • Submitting all documents that may be required by the Debenture Trustee from time to time in accordance with applicable law; • Maintaining Security during the tenor of the NCDs; and • Other affirmative covenants and reporting covenants as per the Debenture Trust Deed. <p>For further details, please refer to the Debenture Trust Deed. There is no side letter that has been executed in connection with the Issue.</p>
Description regarding Security (where applicable) including type of security (movable/immovable/tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Debenture Trust Deed and disclosed in the placement memorandum	<p>The NCDs proposed to be issued will be secured by a first <i>ranking pari passu</i> charge on present and future receivables and current assets (including investments) of the Issuer for the principal amount and accrued interest thereon created in favour of the Debenture Trustee, as specifically set out in and fully described in the Debenture Trust Deed. The NCDs will have a minimum asset cover of one time on the principal amount and interest thereon. The Issuer reserves the right to sell or otherwise deal with the receivables, both present and future, including without limitation to create a charge on <i>pari passu</i> or exclusive basis thereon for its present and future financial requirements, provided that a minimum-security cover of one time on the principal amount and accrued interest thereon, is maintained, on such terms and conditions as the Issuer may think appropriate, without the consent of, or intimation to, the NCD Holders or the Debenture Trustee in this connection. However, if consent and/or intimation is required under applicable law, then the Company shall obtain such consents and/ or intimation in accordance with such law. We have received necessary consents from the relevant debenture trustees and security trustees for ceding <i>pari passu</i> charge in favour of the Debenture Trustee in relation to the NCDs.</p> <p>If there is any shortfall in the security cover, the Company shall furnish the additional security within 15 (fifteen) Business Days to the extent of shortfall or else it shall be considered as an Event of Default.</p>
Transaction Documents	<ul style="list-style-type: none"> • Debenture Trust Deed: the Debenture Trust Deed cum Hypothecation Deed for the Debentures shall be executed in accordance with the timelines specified under applicable laws prior to filing of the application for listing of the NCDs

	<ul style="list-style-type: none"> • Debenture Trustee Agreement • Term Sheet/PAS-4 • Rating Letters • Rating Rationale • Trustee Consent • Application Form
Conditions Precedent to Disbursement	None
Condition Subsequent to Disbursement	None
Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement)	<p>Following is an indicative list of events/circumstances which can be an Event of Default:</p> <ul style="list-style-type: none"> • Default in redemption of debentures and payment of interest; • Default in performance of covenants and conditions; • Supply of misleading information in the application by the Company to the Debenture Holder(s) for financial assistance by way of subscription to the Debentures; • Proceedings against the company under bankruptcy or insolvency law. • If the security is in jeopardy; • Company ceases to carry on its business • If an order has been made by a competent forum having final jurisdiction or a special resolution has been passed by the members of the Company for winding up of the Company; • Material breach in terms of the debenture documents, if such breach is not remedied within 45 days; • If the Company does not comply with its material obligations and undertakings in relation to the NCDs or the Debenture Trust Deed, if such non-compliance is not remedied within 45 days; • Company commences a voluntary proceeding under any applicable bankruptcy, insolvency, winding up or other similar law or consents to the appointment of a receiver, liquidator or assignee for a substantial part of its property or takes any action towards its reorganisation, liquidation or dissolution; • It becomes unlawful for the Company to perform or comply with its material obligations under any of the NCDs or the Debenture Trust Deed; • Any step is taken by any governmental authority or agency with a view to the seizure, compulsory acquisition, expropriation or nationalisation of the material part of the assets of the Company which if capable of being discharged, is not discharged within a period of 120 days; • If any extraordinary circumstances which are beyond the control of the Company have occurred which make it improbable for the Company to fulfill its material obligations under the debenture documents and/or the NCDs; and • If in the opinion of the Debenture Trustee, the security of the NCDs is in jeopardy. <p>For further details on Events of Default (including manner of voting/conditions for joining inter creditor agreement), please refer the Debenture Trust Deed.</p> <p>Upon the occurrence of an Event of Default in cases where an intercreditor agreement is proposed to be executed with other lenders of the Company, the Debenture Trustee shall be authorized to enter into intercreditor agreement with other existing lenders of the Company in accordance with the terms of the SEBI Circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/203 dated October 13, 2020,</p>

	<p>as amended from time to time, and as provided under the framework, as amended from time to time, specified by the RBI in this behalf. The Company hereby undertakes that, if required, it shall provide all co-operation to the Debenture Trustee to give effect to the aforesaid.</p> <p>In case of ‘Default’ by Issuers of listed debt securities”, post the occurrence of a “default”, the consent of the NCD Holders for entering into an inter-creditor agreement (the “ICA”) /enforcement of security shall be sought by the debenture trustee after providing a notice to the investors in the manner stipulated under applicable law. Further, the meeting of the NCD Holders shall be held within the period stipulated under applicable law. In case(s) where majority of investors express their consent to enter into the ICA, the debenture trustee shall enter into the ICA on behalf of the investors upon compliance with the conditions as stipulated in the abovementioned circular. In case consents are not received for signing the ICA, the debenture trustee shall take further action, if any, as per the decision taken in the meeting of the investors. The consent of the majority of investors shall mean the approval of not less than 75% of the investors by value of the outstanding debt and 60% of the investors by number at the ISIN level.</p>
Creation of recovery expense fund	<p>The Company shall create and maintain a reserve to be called the “Recovery Expense Fund” as per the provisions of and in the manner provided in the SEBI (Debenture Trustee) Amendment Regulations, 2020, the SEBI NCS Regulations, 2021, the SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2020/207 dated October 22, 2020 and any guidelines and regulations issued by SEBI, as applicable. The Company shall deposit an amount equal to 0.01% of the issue size subject to maximum of Rs.25 lakhs per issuer towards REF with the Designated Stock Exchange.</p> <p>The Recovery Expense Fund shall be created to enable the Debenture Trustee to take prompt action in relation to the enforcement of the Security in accordance with the Debenture Documents. The Company shall submit to the Trustee certificate duly certified by the statutory auditors/independent chartered accountant/letter from designated stock exchange certifying creation and the form of such Recovery Expense Fund by the Company prior to the opening of the issue. The balance in the Recovery Expense Fund shall be refunded to the Company on repayment of Amounts Due to the Debenture Holders for which a ‘No Objection Certificate (NOC)’ shall be issued by the Debenture Trustee(s) to the designated stock exchange. The Debenture Trustee(s) shall satisfy that there is no ‘default’ on any other listed debt securities of the Company before issuing the said NOC.</p> <p>The Company hereby agrees and undertakes that, if during the currency of these presents, any further guidelines are formulated (or modified or revised) by any Governmental Authority in respect of creation of Debenture Redemption Reserve and investment of the monies lying therein and/or Recovery Expense Fund, the Company shall duly abide by such guidelines and execute all such supplemental letters, agreements and deeds of modifications as may be required by the Debenture Holder(s)/ Beneficial Owner(s) or the Trustee.</p>
Conditions for breach of covenants (as specified in Debenture Trust Deed)	Please refer to “ <i>Events of Default</i> ” as stated in this Term Sheet. Please also refer to the Debenture Trust Deed.
Provisions related to Cross Default Clause	N.A.
Role and Responsibilities of Debenture Trustee	Following are certain roles and responsibilities of the Debenture Trustee:

	<ul style="list-style-type: none"> • Perform such acts as are necessary for the protection of the interest of the NCD Holders and resolve the grievances of the NCD Holders. • Follow up for redemption of NCDs in accordance with the terms and conditions of NCDs. • Call for quarterly reports certifying that the Security are sufficient to discharge the interest and principal amount at all times and that such Security are free from any other encumbrances except as set out under the Debenture Trust Deed. • In case the Company commits any breach of the terms of the Debenture Trust Deed, the Debenture Trustee in consultation with the NCD Holders shall take such reasonable steps as maybe necessary to remedy such breach. <p>For further details, please refer to the Debenture Trust Deed.</p>
Risk factors pertaining to the issue	Please refer to the section titled “ <i>Risk Factors</i> ”.
Governing Law and Jurisdiction	The Debentures shall be construed to be governed in accordance with Indian Law. The competent courts at Mumbai alone shall have jurisdiction in connection with any matter arising out of or under these precincts. Over and above the aforesaid Terms and Conditions, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debentures to be issued to the allottees and the Debenture Trust Deed / Debenture Trustee Agreement.

Notes:

- If there is any change in coupon rate pursuant to any event including lapse of certain time-period or downgrade in rating, then such new coupon rate and events which lead to such change should be disclosed.
- The list of documents which has been executed in connection with the issue and subscription of debt securities shall be annexed.
- While debt securities are secured to the tune of 100% of the principal and interest amount or such higher amount as per the terms of offer document in favour of Debenture Trustee, it is the duty of the Debenture Trustee to monitor that such security is maintained.
- The issuer shall provide granular disclosures in their offer document, with regards to the "Object of the Issue" including the percentage of the issue proceeds earmarked for each of the “object of the issue”. Further, the amount earmarked for "General Corporate Purposes", shall not exceed 25% of the amount raised by the issuer in the proposed issue.

XXVIII. UNDERTAKING ON CREATION OF SECURITY PURSUANT TO REGULATION 43(2) OF THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021

The Issuer hereby undertakes that the assets on which charge or security has been created to meet the hundred percent security cover is free from any encumbrances and in case the assets are encumbered, the permissions or consent to create first, second or pari passu charge on the assets has been obtained from the existing creditors to whom the assets are charged, prior to creation of the charge.

XXIX. UNDERTAKING BY THE ISSUER

INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS ISSUE. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED. THE NCDs HAVE NOT BEEN RECOMMENDED OR

APPROVED BY ANY REGULATORY AUTHORITY IN INDIA, INCLUDING THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO THE STATEMENT OF THE “RISK FACTORS”.

OUR COMPANY, HAVING MADE ALL REASONABLE INQUIRIES, ACCEPTS RESPONSIBILITY FOR, AND CONFIRMS THAT THIS PLACEMENT MEMORANDUM CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER AND THE ISSUE, THAT THE INFORMATION CONTAINED IN THIS PLACEMENT MEMORANDUM IS TRUE AND CORRECT IN ALL MATERIAL ASPECTS AND IS NOT MISLEADING IN ANY MATERIAL RESPECT, THAT THE OPINIONS AND INTENTIONS EXPRESSED HEREIN ARE HONESTLY HELD AND THAT THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKE THIS PLACEMENT MEMORANDUM AS A WHOLE OR ANY OF SUCH INFORMATION OR THE EXPRESSION OF ANY SUCH OPINIONS OR INTENTIONS MISLEADING IN ANY MATERIAL RESPECT.

THE COMPANY HAS NO SIDE LETTER WITH ANY DEBT SECURITIES HOLDER EXCEPT THE ONE(S) DISCLOSED IN THIS PLACEMENT MEMORANDUM. ANY COVENANTS LATER ADDED SHALL BE DISCLOSED ON THE STOCK EXCHANGES WEBSITES.

XXX. Declaration by the Directors of the Company, that

- a. the Company is in compliance with the provisions of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;
- b. the compliance with the Securities and Exchange Board of India Act, 1992 and the rules made thereunder, does not imply that payment of interest or repayment of non-convertible securities is guaranteed by the Central Government;
- c. the monies received under the offer shall be used only for the purposes and objects indicated in the private placement offer cum application letter;
- d. whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association

GENERAL RISK

Investment in non-convertible securities involve a degree of risk and investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, investors must rely on their examination of the issue including the risks involved in it. Specific attention of investors is invited to statement of risk factors contained under Section I of this Placement Memorandum. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or investor's decision to purchase such securities.

I am authorized by the Board of Directors of the Company *vide* resolution dated January 10, 2019 to sign this form and declare that all the requirements of Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed:

FOR INDIABULLS COMMERCIAL CREDIT LIMITED

Name: Ajit Mittal
Designation: Non-Executive Chairman



Date: Mumbai
Place: 16th September 2021

ANNEXURE I
APPLICATION FORM

Private Placement of NCDs Application Form	Application No	:	_____
	Addressee	:	_____
	Date	:	_____, 2021

To,
The Board of Directors
INDIABULLS COMMERCIAL CREDIT LIMITED
CIN: U65923DL2006PLC150632

Registered Office: M -62&63, First Floor, Connaught Place, New Delhi – 110 001

Corporate Office: Tower I, 18th Floor, One International Centre, S. B. Marg, Elphinstone Road, Mumbai 400 013

Dear Sirs,

Having read and understood the contents of the Placement Memorandum/Private Placement Offer Cum Application Letter (as defined overleaf), I/we apply for allotment to me/us of the NCDs. The amount payable on application as shown below is remitted herewith. In case of allotment, please place my/our name(s) on the Register of NCD Holders. I/We bind ourselves by the terms and conditions as contained in the Private Placement Offer Cum Application Letter. We note that the Board of Directors is entitled in its absolute discretion to accept or reject this application whole or in part without assigning any reasons whatsoever.

(PLEASE READ THE INSTRUCTIONS ON THE REVERSE CAREFULLY BEFORE FILLING UP THIS
APPLICATION FORM)

APPLICANT'S DETAILS (IN BLOCK LETTERS):

First/Sole Applicant: _____

Second Applicant: _____

Third Applicant: _____

Address: _____

Pin Code: _____ Tel. / Mobile No: _____ Email: _____

PAN No: _____ Applicant Category Code (please refer overleaf): _____

*(Furnishing of Applicant's Details is mandatory, failing which the Application is liable to be rejected)***Investment Details:**

Face Value (Rs. / NCD)	10,00,000 /-
Issue Price (Rs. / NCD)	
Minimum Application of and in multiples of NCD thereafter	10 Debentures of Rs. 10 lakhs each and in multiple of 1 Debentures thereafter
No of NCDs Applied	
Amount Payable (Rs.)	
Grand Total	Total No of NCDs Applied
	Total Amount Payable (Rs.)

Payment Details ⁽¹⁾:

Amount Paid (Rs.) – in words	
Amount Paid (Rs.) – in figures	
Mode of Payment (select whichever is applicable)	<input type="checkbox"/> RTGS <input type="checkbox"/> FUND TRANSFER
Date of RTGS/ NEFT/ ECS/ FUND TRANSFER	
Name of the Bank through which the Electronic Fund Transfer is made	
UTR No.	

*Note: (1) The Application Form must be accompanied with the UTR confirmation. The details of the Issuer's bank account to which payment needs to be made is as mentioned under Applications by Applicants.***Bank A/c Details**

Account Name	
Bank Name	
A/c No.	
A/c Type	
Branch Name and Address	
IFSC	

Applicant's depository details ⁽²⁾:

DP Name		Depository	<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL
DP ID / Client ID			

*Note: (2) Please note that allotment of NCDs shall be compulsorily made in dematerialized form.*_____
Signature

S. No.	Name of the Authorised Signatories	Designation	Signature
1			
2			
3			

Date: _____, 2021

----- Tear Here -----

Application No: _____

INDIABULLS COMMERCIAL CREDIT LIMITED
CIN: U65923DL2006PLC150632

Registered Office: M -62&63, First Floor, Connaught Place, New Delhi – 110 001

Corporate Office: Tower I, 18th Floor, One International Centre, S. B. Marg, Elphinstone Road, Mumbai 400 013

ACKNOWLEDGEMENT SLIP

Received from:

_____, 2021 Date:

Issue Price (Rs. / NCD)		Mode of Payment	<input type="checkbox"/> RTGS <input type="checkbox"/> FUND TRANSFER	Date stamp & signature of the Registrar
No of NCDs applied for		Date of Remittance		
Amount Paid (Rs.)		Name of the Bank		
		UTR No.		

INSTRUCTIONS

- The application would be accepted as per the terms of the issue of listed Non – Convertible Debentures (“NCDs”) on private placement basis offered by way of the private placement offer cum application letter dated _____, 2021 (“**Private Placement Offer Cum Application Letter**”). Applicants are requested to refer to the application procedure set forth in the Private Placement Offer Cum Application Letter.
- Application forms must be completed in full in BLOCK LETTERS IN ENGLISH. A blank space must be left between two or more parts of the name.
- The sole/first applicant should mention his/her/its PAN Number allotted under Income Tax Act, 1961. Income Tax as applicable will be deducted at Source at the time of payment of Coupon on Application / Refund Money.
- Signatures should be made in English or in any of the Indian languages. Thumb impressions must be attested by an authorised official of a Bank or by a Magistrate/Notary Public under his/her official seal.
- The various categories of applicants eligible to apply along with their category codes are as given below:

1.	Banks
2.	Financial Institution
3.	Non-Bank Finance Companies
4.	Insurance Company
5.	Corporate Investors
6.	Mutual Funds
7.	Provident funds/ pension funds including National Pension Scheme
8.	Foreign Portfolio Investors
9.	Primary Dealers
10.	Any other person authorized to invest in this Issue

Applicants are hereby required to ascertain their eligibility to apply for the Issue.

6. Applicants shall be bound by the terms and conditions as contained in the Private Placement Offer Cum Application Letter, including the basis of allotment as specified therein.
7. Applicants are requested to read the Private Placement Offer Cum Application Letter carefully prior to making an investment decision in the NCDs.
8. Allotment of NCDs shall be compulsorily made in dematerialized form.
9. The payment of interest / dividend / redemption shall be made to the bank account linked with the demat account of the applicant, wherein the allotment of the NCDs is made / held.
10. Application forms duly completed in all respects must be sent via email and in original to the Registrar and Transfer Agent as specified below.
11. Application Money can be remitted only through electronic transfer of funds.
12. Cash, money orders, postal orders and stock invest **WILL NOT** be accepted.
13. The Application Form must be accompanied with the UTR confirmation.
14. The Application Form must be accompanied with proof of transfer of application money to the Debenture Subscription Account of the Issuer.
15. Receipt of applications will be acknowledged by the Registrar and Transfer Agent in the "Acknowledgement Slip", appearing below the Application Form. No separate receipt will be issued.
16. **APPLICATIONS NOT ACCOMPANIED BY THE REQUIRED DOCUMENTS ARE LIABLE TO BE REJECTED.**

Address for submission of Application Forms along with the Relevant Documents

Tower I, 18th Floor, One International Centre, S. B. Marg, Elphinstone Road, Mumbai 400 013

ANNEXURE II

FINANCIAL INFORMATION

S. No.	Particulars	Page no.
1.	Examination Report and Reformatted Financial Statements for fiscal 2021, 2020 and 2019.	F1 – F99

(The rest of this page has been intentionally left blank.)

Auditors' Report on the Reformatted Standalone Statement of Assets and Liabilities as at March 31, 2021, March 31, 2020 and March 31, 2019 and the Reformatted Standalone Statement of Profit and Loss (including other comprehensive income), Cash Flows, Statement of Changes in Equity for the each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 of Indiabulls Commercial Credit Limited (collectively, the "Reformatted Ind AS Standalone Financial Information")

The Board of Directors
Indiabulls Commercial Credit Limited
M - 62 & 63 First Floor, Connaught Place
New Delhi 110001

Dear Sirs / Madams,

1. We have examined the attached Reformatted Ind AS Standalone Financial Information of Indiabulls Commercial Credit Limited (the "Company") as at March 31, 2021, March 31, 2020 and March 31, 2019 and for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 annexed to this report and prepared by the Company for the purpose of inclusion in the offer document ("Offer Document") in connection with its proposed issue of Secured Redeemable Non-Convertible Debentures ("NCDs" or "Debentures") of face value of Rs. 1,000 each ("the Issue") by the Company. The Reformatted Ind AS Standalone Financial Information, which have been approved by the Board of Directors of the Company, have been prepared by the Company in accordance with the requirements of:

- a) Section 26 of Chapter III of The Companies Act, 2013, as amended (the "Act");
- b) relevant provisions of the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ("the Regulations") issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act"); and
- c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended from time to time (the "Guidance Note").

Management's Responsibility for the Reformatted Ind AS Standalone Financial Information

3. The preparation of Reformatted Ind AS Standalone Financial Information is based on audited financial statements of the Company prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules 2015, as amended and other accounting principles generally accepted in India in accordance with the accounting principles generally accepted in India, which are to be included in the Offer Document, is the responsibility of the Management of the Company for the purpose set out in paragraph 14 below. The Management's responsibility includes designing, implementing and maintaining adequate internal controls relevant to the preparation and presentation of the Reformatted Ind AS Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Act, the Regulations and the Guidance Note.

Office: D 118, Saket, New Delhi – 110017 Phone: +91 11 4166 3630



Auditors' Responsibilities

4. We have examined such Reformatted Ind AS Standalone Financial Information taking into consideration:

a) the terms of reference and our engagement agreed with you vide our engagement letter dated August 10, 2021, requesting us to carry out work on such Reformatted Ind AS Standalone Financial Information in connection with the Company's Issue of NCDs;

b) the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India (the "Guidance Note"). The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Reformatted Ind AS Standalone Financial Information; and

d) the requirements of Section 26 of the Act, the Regulations and the Guidance Note.

Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the Regulations in connection with the Issue of NCDs.

5. The Company proposes to make an offer which comprises an issue of Secured Redeemable Non-Convertible Debentures ("NCDs" or "Debentures") of face value of Rs.1,000 each ("the Issue"), as may be decided by the Board of Directors of the Company.

Reformatted Ind AS Standalone Financial Information

6. The Reformatted Ind AS Standalone Financial Information have been compiled by the management from the audited standalone financial statements of the Company as at and for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 prepared under Ind AS, which have been approved by the Board of Directors at their meetings held on May 19, 2021, July 03, 2020 and April 24, 2019 respectively.

7. For the purpose of our examination, we have relied on Auditors' reports issued by us, dated May 19, 2021, July 03, 2020 and April 24, 2019 on the standalone financial statements of the Company as at and for each the years ended March 31, 2021, March 31, 2020 and March 31, 2019 as referred in Paragraph 6 above;

Our report dated May 19, 2021 on the Audited Standalone Ind AS Financial Statements as at and for the year ended March 31, 2021, included:

Emphasis of Matter

We draw attention to Note 7 to the accompanying Financial Statements which describes the effects of uncertainties relating to COVID – 19 pandemic outbreak on the Company's operations, that are dependent upon future developments, and the impact thereof on the Company's estimates of impairment of loans to customers outstanding as at March 31, 2021, and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.



Other Matters

Our audit report dated May 19, 2021 on Audited Ind AS Standalone Financial Statements as at and for the year ended March 31, 2021 also includes as an annexure, a statement on certain matters specified in Companies (Auditor's Report), Order 2016 to indicate delay in payment of undisputed statutory dues.

Our report dated July 3, 2020 on the Audited Standalone Ind AS Financial Statements as at and for the year ended March 31, 2020, included:

Emphasis of Matter

We draw attention to Note 7 to the accompanying Financial Statements which describes the effects of uncertainties relating to COVID – 19 pandemic outbreak on the Company's operations, that are dependent upon future developments, and the impact thereof on the Company's estimates of impairment of loans to customers outstanding as at March 31, 2020, and that such estimates may be affected by the severity and duration of the pandemic. Our opinion is not modified in respect of this matter.

8. Taking into consideration the requirements of Section 26 of Part I of Chapter III of the Act, the Regulations and the terms of our engagement agreed with you, we further report that:

a) the Reformatted Standalone Statement of assets and liabilities and notes forming part thereof, the Reformatted Standalone Statement of profit and loss and notes forming part thereof, the Reformatted Standalone Statement of cash flows and Reformatted Standalone Statement of changes in equity ("Reformatted Ind AS Standalone Financial Information") of the Company as at and for each of the years ended March 31, 2021, March 31, 2020 and March 31, 2019 have been examined by us, as set out in Annexure I to Annexure IV to this report. These Reformatted Ind AS Standalone Financial Information have been prepared after regrouping, which is more fully described in Significant Accounting policies and notes (Refer Annexure V).

b) based on our examination as above:

i) the Reformatted Ind AS Standalone Financial Information have to be read in conjunction with the notes given in Annexure V; and

ii) the figures of earlier period have been regrouped (but not restated retrospectively for changes in accounting policies), wherever necessary, to conform to the classification adopted for the Reformatted Ind AS Standalone Financial Information as at and for the year ended March 31, 2021.

Opinion

9. In our opinion, the Reformatted Ind AS Standalone Financial Information, as disclosed in the Annexures to this report, read with respective significant accounting policies disclosed in Annexure IV, and after making adjustments and regroupings as considered appropriate and disclosed has been prepared by the Company by taking into consideration the requirement of Section 26 of Part I of Chapter III of the Act, the Regulations and the Guidance Note.

Other matters

10. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2021. Accordingly, we express no opinion on the financial position, profit and loss or cash flow of the Company as of any date or for any period subsequent to March 31, 2021.



11. In the preparation and presentation of Reformatted Ind AS Standalone Financial Information based on audited standalone financial statements as referred to in paragraph 6 above, no adjustments have been made for any events occurring subsequent to dates of the audit reports specified in paragraph 7 above.

12. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

13. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

14. This report is intended solely for use of the management for inclusion in the Offer Document in connection with the proposed Issue of NCDs of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

Yours faithfully,

For Ajay Sardana Associates
Chartered Accountants
Firm registration number: 016827N



Rahul Mukhi
Partner
Membership No. 099719
Place: New Delhi
Date: September 14, 2021
UDIN: 21099719AAAAFN7285

Indiabulls Commercial Credit Limited

Reformatted Standalone Statement of Assets and Liabilities as at March 31, 2021

Annexure I
Amount in Rs. Crores

Particulars	Notes	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
ASSETS				
Financial assets				
Cash and cash equivalents	5	1,809.93	2,000.27	488.16
Bank balances other than cash and cash equivalents	6	38.17	52.36	52.53
Loans	7	12,301.16	11,706.48	15,749.83
Investments	8	949.87	1,590.43	417.22
Other financial assets	9	52.58	129.56	164.26
Non- financial assets				
Current tax assets (net)		187.38	240.28	101.51
Deferred tax assets (net)	10	70.61	28.37	-
Assets held for sale		384.70	580.52	-
Property, plant and equipment	11.1	2.64	5.97	8.61
Other Intangible assets	11.2	-	1.31	3.77
Right of Use assets	11.3	3.67	5.37	-
Other non- financial assets	12	72.55	46.38	59.17
TOTAL ASSETS		15,873.26	16,387.30	17,045.06
LIABILITIES AND EQUITY				
LIABILITIES				
Financial liabilities				
Trade payables	13	-	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		0.40	0.01	5.15
Debt securities	14	2,192.77	2,440.38	2,215.22
Borrowings (other than debt securities)	15	5,280.88	6,088.82	8,247.44
Subordinated liabilities	16	349.40	348.86	343.96
Other financial liabilities	17	3,406.88	3,067.27	1,820.23
Non financial liabilities				
Current tax liabilities (net)		1.05	3.52	10.00
Provisions	18	4.83	5.67	8.21
Deferred tax liabilities (net)	10	-	-	5.82
Other non-financial liabilities	19	83.85	25.82	13.98
Equity				
Equity share capital	20	247.80	247.80	247.80
Other equity	22	4,305.40	4,159.15	4,127.25
TOTAL LIABILITIES AND EQUITY		15,873.26	16,387.30	17,045.06

Summary of significant accounting policies 3

The accompanying notes are an integral part of the Reformatted IndAS standalone financial information

As per our report of even date attached

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

Rahul Mukhi
Partner
Membership No. 099719
New Delhi, September 14, 2021



For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rajiv Gandhi
Managing Director
DIN : 09063985
Mumbai, September 14, 2021

Ashish Kumar Jain
Chief Financial Officer
New Delhi, September 14, 2021

Anil Malhan
Non Executive Director
DIN : 01542646
New Delhi, September 14, 2021

Ajit Kumar Singh
Company Secretary
New Delhi, September 14, 2021

Indiabulls Commercial Credit Limited

Reformatted Standalone Statement of Profit and Loss (including other comprehensive income) for the year ended March 31, 2021

Annexure II
Amount Rs. in crores

Particulars	Notes	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations				
Interest income	23	1,615.63	2,013.72	1,471.45
Dividend income	24	-	46.22	101.02
Fees and commission income	25	2.32	41.74	123.52
Net gain on fair value changes	28	-	80.53	-
Net gain on derecognition of financial instruments under amortised cost category		1.46	8.26	63.92
Total revenue from operations		1,619.41	2,190.47	1,759.91
Other income	26	13.53	0.81	0.69
Total income		1,632.94	2,191.28	1,760.60
Expenses				
Finance costs	27	997.29	1,158.18	828.80
Net loss on fair value changes	28	15.12	-	70.40
Impairment on financial instruments	29	426.88	952.92	364.41
Employee benefits expense	30	20.60	27.62	32.17
Depreciation and amortization		4.54	8.87	5.06
Other expenses	31	15.72	15.44	14.48
Total expenses		1,480.15	2,164.03	1,313.32
Profit before tax		152.79	27.25	447.28
Tax expense:	32			
(1) Current tax		56.09	41.52	110.71
(2) Deferred tax credit		(42.34)	(34.18)	13.57
Profit for the year		139.04	19.81	323.00
Other comprehensive income				
A (i) Items that will not be reclassified to profit or loss				
(a) Remeasurement gain/(loss) on defined benefit plan		0.38	(0.07)	0.10
(b) Gain/(loss) on change in fair value of derivative designated at FVOC		-	-	27.08
(ii) Income tax impact on above		(0.10)	0.02	(9.50)
B (i) Items that will be reclassified to profit or loss				
(ii) Income tax impact on above		-	-	-
Other comprehensive income (I (loss) A+B)		0.28	(0.05)	17.68
Total comprehensive income for the year		139.32	19.76	340.68
Earnings per equity share	40			
Basic (Rs.)		5.61	0.80	29.16
Diluted (Rs.)		5.61	0.80	24.46
Nominal value per share (Rs.)		10.00	10.00	10.00

Summary of significant accounting policies 3
The accompanying notes are an integral part of the Reformatted IndAS standalone financial information

As per our report of even date attached

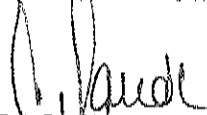
For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N



Rahul Mukhi
Partner
Membership No. 099719
New Delhi, September 14, 2021

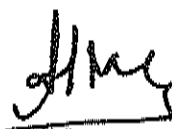


For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited



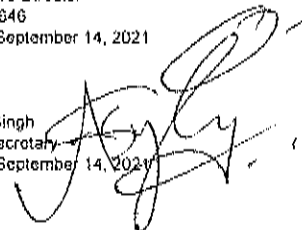
Ranju Ganchoi
Managing Director
DIN : 09063985
Mumbai, September 14, 2021

Ashish Kumar Jain
Chief Financial Officer
New Delhi, September 14, 2021



Anil Malhan
Non Executive Director
DIN : 01542646
New Delhi, September 14, 2021

Ajit Kumar Singh
Company Secretary
New Delhi, September 14, 2021



Indiabulls Commercial Credit Limited

Reformatted Standalone Statement of Cash Flows for the year ended March 31, 2021

Annexure III
Amount Rs. in crores

	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
A Cash flow from operating activities :			
Profit before tax	152.79	27.25	447.28
Adjustments for:			
Provision for gratuity	0.59	0.84	0.82
Provision for compensated absences	(0.18)	(0.01)	0.03
Share based payments to employees	2.66	2.38	2.03
Provision for diminution on value of Investment	(0.21)	2.12	-
Provision for impairment due to expected credit loss	518.97	176.29	253.51
Bad debts written off	32.47	822.52	112.03
Interest expenses	987.50	1,144.88	820.74
Interest income	(1,617.16)	(2,022.05)	(1,537.51)
Gain on modification of leases	(0.64)	(0.31)	-
Deemed cost of fair value of corporate guarantee	9.33	12.43	1.47
Balance no longer required, written back	(1.55)	(0.01)	(0.02)
Dividend income	-	(46.22)	(101.02)
(Profit)/ Loss on sale of property, plant and equipment	(0.54)	0.33	-
Unrealised loss/(gain) on investments (net)	2.41	(04.72)	2.75
Realised loss/(gain) on investments (net)	12.71	(15.81)	57.66
Depreciation and amortisation	4.54	8.67	5.08
Operating profit/ (loss) before working capital changes	103.69	48.58	74.83
Adjustment for changes in working capital:			
Other financial assets	0.08	41.50	0.58
Other non financial assets	8.05	(1.10)	(38.58)
Loans	(1,082.78)	3,241.32	(8,269.06)
Trade payables	0.39	(5.14)	4.94
Provisions for gratuity and compensated absences	(0.87)	(0.56)	(0.17)
Other financial liabilities	368.61	1,198.87	1,562.51
Other non financial liabilities	58.03	11.85	4.14
Net cash generated from/ (used in) operations	(544.20)	4,535.22	(6,652.81)
Interest received	1,576.50	1,966.03	1,408.48
Interest paid	(1,006.33)	(1,096.08)	(711.38)
Income tax paid(net)	(5.66)	(188.87)	(209.15)
Net cash generated from/ (used in) operating activities	20.31	5,217.70	(8,164.86)
B Cash flow from investing activities			
Purchase of property, plant and equipment	2.00	(0.11)	(4.61)
Movement in capital advances	(38.64)	0.17	0.29
Movement in fixed deposits with banks	14.19	0.15	(22.28)
Investment in equity shares of subsidiary company	0.21	(0.57)	(0.70)
Dividend income	-	46.22	101.02
Interest received	50.05	32.15	1.37
Assets held for sale	195.82	(580.52)	-
Investments in mutual funds / other investments (net)	625.44	(1,094.23)	(306.92)
Net cash (used in) investing activities	851.68	(1,886.72)	(233.83)
C Cash flow from financing activities			
Proceeds from issue of equity shares (including securities premium)	-	-	2,723.36
Distribution of preference dividend	-	(2.78)	(13.54)
Repayment of loan taken from fellow subsidiary company (net)	-	-	(14.53)
Proceeds from loan taken from holding company(net)	707.58	341.42	167.00
Proceeds from / (Repayment of) issue of secured redeemable non-convertible debentures	(260.44)	215.00	1,950.00
Proceeds from issue of subordinate debt	-	5.00	100.00
Debentures issue expenses	-	-	(4.60)
Repayment of commercial papers(net)	-	-	(2,295.00)
Proceeds from / (Repayment of) working capital loans(net)	35.16	(2,171.21)	2,134.80
Repayment of bank loans and other borrowings (net)	(1,543.35)	(491.83)	1,871.65
Payment of lease liabilities	(1.30)	(4.47)	-
Net cash (used in)/generated from financing activities	(1,062.33)	(2,108.87)	6,619.14
D Not increase / (decrease) in cash and cash equivalents (A+B+C)	(190.34)	1,512.11	220.45
E Cash and cash equivalents at the beginning of the year	2,000.27	488.16	267.71
F Cash and cash equivalents at the close of the year (D + E) ^(Under Note 8)	1,809.93	2,000.27	488.16

The accompanying notes are an integral part of the Reformatted IndAS standalone financial information

As per our report of even date attached

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.D16827N

Rahul Mukhi
Partner
Membership No. 098719
New Delhi, September 14, 2021



For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rajiv Gosheti
Managing Director
DIN : 09063885
Mumbai, September 14, 2021

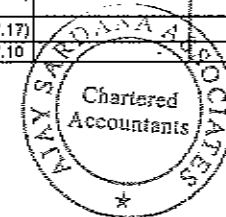
Ashish Kumar Jain
Chief Financial Officer
New Delhi, September 14, 2021

Anil Mathan
Non Executive Director
DIN : 01542646
New Delhi, September 14, 2021

Ajit Kumar Singh
Company Secretary
New Delhi, September 14, 2021

a. Equity Share Capital:	Numbers	Amount Rs. in crores
Equity shares of INR 10 each issued, subscribed and fully paid		
At April 01, 2019	24,77,99,324	247.80
Addition during the year	-	-
At March 31, 2020	24,77,99,324	247.80
Addition during the year	-	-
At March 31, 2021	24,77,99,324	247.80

b. Other Equity	Reserves & Surplus										Amount in Rs. Crores	
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Special Reserve U/s 36(1)(viii) of the Income Tax Act, 1961	Reserve (II) (Reserve fund u/s 45-IC of the R.B.I. Act, 1934)	Debenture Redemption Reserve	Share based Payment reserve	Fair value of corporate guarantee	Retained earnings	Other Comprehensive Income	Total	
At April 01, 2018	0.17	4.00	690.77	42.91	138.70	-	1.73	-	328.64	(17.61)	1,189.31	
Profit for the year	-	-	-	-	-	-	-	-	323.00	-	323.00	
Other Comprehensive Income/(loss)	-	-	-	-	-	-	-	-	0.06	17.62	17.68	
Total comprehensive income	-	-	-	-	-	-	-	-	323.06	17.62	340.68	
Add: Transferred / Addition during the year	-	-	2,560.32	43.74	64.60	83.83	2.03	41.63	-	-	2,796.15	
Less: Share issue expenses	-	-	(1.69)	-	-	-	-	-	-	-	(1.69)	
Appropriations:-												
Corporate Dividend Tax on Dividend paid on Preference Shares	-	-	-	-	-	-	-	-	(2.76)	-	(2.76)	
Provision for Dividend on Preference Shares	-	-	-	-	-	-	-	-	(2.25)	-	(2.25)	
Transferred to Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	-	-	-	-	-	-	-	(43.74)	-	(43.74)	
Transferred to Reserve Fund u/s 45-IC of the R.B.I. Act, 1934	-	-	-	-	-	-	-	-	(64.60)	-	(64.60)	
Transferred to Debenture Redemption Reserve	-	-	-	-	-	-	-	-	(83.83)	-	(83.83)	
Total Appropriations	-	-	-	-	-	-	-	-	(197.20)	-	(197.20)	
At March 31, 2019	0.17	4.00	3,249.40	86.65	203.30	83.83	3.76	41.63	454.50	0.01	4,127.25	
Profit for the year	-	-	-	-	-	-	-	-	18.61	-	18.61	
Other Comprehensive Income/(loss)	-	-	-	-	-	-	-	-	(0.04)	(0.01)	(0.05)	
Total comprehensive income	-	-	-	-	-	-	-	-	19.77	(0.01)	19.76	
Add: Transferred / Addition during the year	-	-	-	-	3.95	163.21	2.38	9.76	-	-	179.31	
Less: Share issue expenses	-	-	-	-	-	-	-	-	-	-	-	
Appropriations:-												
Corporate Dividend Tax on Dividend paid on Preference Shares	-	-	-	-	-	-	-	-	-	-	-	
Provision for Dividend on Preference Shares	-	-	-	-	-	-	-	-	-	-	-	
Transferred to Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	-	-	-	-	-	-	-	-	-	-	
Transferred to Reserve Fund u/s 45-IC of the R.B.I. Act, 1934	-	-	-	-	-	-	-	-	(3.96)	-	(3.96)	
Transferred to Debenture Redemption Reserve	-	-	-	-	-	-	-	-	(163.21)	-	(163.21)	
Total Appropriations	-	-	-	-	-	-	-	-	(167.17)	-	(167.17)	
At March 31, 2020	0.17	4.00	3,249.40	86.65	207.26	247.04	6.14	51.39	307.10	-	4,158.15	



Statement of changes in equity for the year ended March 31, 2021 (Continued...)

Amount in Rs. Crores

	Reserves & Surplus										Other Comprehensive Income	Total
	Capital Reserve	Capital Redemption Reserve	Securities Premium Account	Special Reserve U/s 36(1)(viii) of the Income Tax Act, 1961	Reserve (B) (Reserve fund u/s 45-3C of the R.B.I. Act, 1934)	Debenture Redemption Reserve	Share based Payment reserve	Fair value of corporate guarantee	Retained earnings			
At March 31, 2020	0.17	4.00	3,249.40	86.85	207.26	247.04	6.14	57.38	307.10	-	4,159.15	
Profit for the year	-	-	-	-	-	-	-	-	139.84	0.28	139.32	
Other Comprehensive Income/(Loss)	-	-	-	-	-	-	-	-	0.28	-	0.28	
Total comprehensive income	-	-	-	-	-	-	-	-	139.32	0.28	139.60	
Add: Transferred / Addition during the year	-	-	-	51.54	27.81	-	2.66	4.27	-	(0.28)	86.00	
Less: Share issue expenses	-	-	-	-	-	-	-	-	-	-	-	
Appropriations:-												
Transferred to Reserve Fund u/s 45-3C of the R.B.I. Act, 1934	-	-	-	-	-	-	-	-	(27.81)	-	(27.81)	
Transferred to Special Reserve u/s 36(1)(viii) of the Income Tax Act, 1961	-	-	-	-	-	-	-	-	(51.54)	-	(51.54)	
Transferred to Debenture Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	
Total Appropriations	-	-	-	-	-	-	-	-	(79.35)	-	(79.35)	
At March 31, 2021	0.17	4.00	3,249.40	138.19	235.07	247.04	6.80	55.66	367.07	-	4,305.40	

The accompanying notes are an integral part of the Reformatted indAS standalone financial information

As per our report of even date attached

For Ajay Sardana Associates
Chartered Accountants
Firm Registration No. 016627N

Rahul Mukhi
Partner
Membership No. 099719
New Delhi, September 14, 2021



For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited

Rajiv Gandhi
Managing Director
DIN : 09053985
Mumbai, September 14, 2021

Ashish Kumar Jain
Chief Financial Officer
New Delhi, September 14, 2021

Anil Malhan
Non Executive Director
DIN : 01542646
New Delhi, September 14, 2021

Ajit Kumar Singh
Company Secretary
New Delhi, September 14, 2021

Indiabulls Commercial Credit Limited
Notes to the Reformatted Standalone Ind AS financial information

Note 1:

Corporate information

Indiabulls Commercial Credit Limited ("the Company") "ICCL" was incorporated on July 07, 2006 and is engaged in the business of financing, investment and allied activities. On February 12, 2008, the Company was registered under section 45-IA of the Reserve Bank of India Act, 1934 to carry on the business of a Non Banking Financial Company but does not have permission from the Reserve Bank of India to accept public deposits.

In accordance with the provisions of section 13 and other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, the members of the company at their Extraordinary General Meeting held on March 02, 2015, accorded their approval to change the name of the Company. The Company has since received fresh certificate of incorporation consequent upon change of name from the Registrar of Companies, National Capital Territory of Delhi & Haryana dated March 12, 2015, in respect of the said change. Accordingly, the name of the Company was changed from Indiabulls Infrastructure Credit Limited to Indiabulls Commercial Credit Limited.

In accordance with the approval of the members of the Company, at their Extraordinary general meeting held on June 12, 2015 and of the Registrar of Companies, National Capital Territory of Delhi & Haryana, and pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, read with applicable rules made thereunder, new set of Memorandum of Association (MOA) of the Company in accordance with Table A of Schedule 1 of the Companies Act, 2013, inter alia modifying sub clause 5 of the erstwhile main object of the MOA, as reproduced below, be and is hereby adopted as follows:

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

The Board of Directors of Indiabulls Finance Company Private Limited ("IFCPL") and the Company at their meeting held on April 16, 2015 had approved, the Scheme of Arrangement, involving the merger of IFCPL, on an ongoing basis, into the Company, pursuant to and in terms of the provisions of Section 391 – 394 of the Companies Act, 1956, as amended from time to time ("Scheme of Arrangement"). The appointed date of the proposed merger fixed under the Scheme of Arrangement was April 01, 2015. The Hon'ble High Court of Delhi, vide its order dated March 15, 2016, received by the Company on March 31, 2016, approved the Scheme of Arrangement (Order). In terms of the court approved Scheme of Arrangement, with the filing of the copy of the Order, on March 31, 2016 with the office of ROC, NCT of Delhi & Haryana (the Effective Date), the Scheme of Arrangement came into effect and IFCPL, as a going concern, stands amalgamated with the Company with effect from the Appointed Date, being April 01, 2015 (in accordance with AS-14-Accounting for Amalgamations, under the Pooling of Interests Method). Consequent to the Scheme of Arrangement becoming effective, the Board of Directors of the Company at their meeting held on March 31, 2016, issued and allotted 32,826,288 Equity Shares of Rs. 10 each of the Company to the Equity Share Holders of IFCPL, against their share holding in such equity shares as on March 31, 2016. The issue of equity shares by the Company in the ratio of 3:1, was in terms of the Share Exchange Ratio as mentioned in the Court approved Scheme of Arrangement.



Note 2 :

(i) Basis of preparation

The Reformatted Standalone Statement of Assets and Liabilities of the Company as at 31 March 2021, 31 March 2020 and 31 March 2019 and the Reformatted Standalone Statement of Profit and Loss and the Reformatted Standalone Statement of Cash flows and the Reformatted Standalone Statement of change in equity and the Summary of Significant Accounting Policies and explanatory notes for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 (together referred as 'Reformatted Ind AS standalone financial information') have been extracted by the Management from the Standalone Ind AS Audited Financial Statements of the Company for the year ended 31 March 2021, 31 March 2020 and 31 March 2019 ('Audited Ind AS Financial Statements').

The Reformatted Ind AS standalone financial information have been prepared by the management in connection with the proposed issue of Secured Redeemable Non-Convertible Debentures ("NCDs" or "Debentures") of face value of Rs. 1,000 each (the "Issue") of the Company, in accordance with the requirements of:

a) Section 26 of the Companies Act, 2013; and

b) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 ('the Regulations') issued by the Securities and Exchange Board of India ("SEBI"), as amended from time to time in pursuance of the Securities and Exchange Board of India Act, 1992 (the "SEBI Act").

The reformatted Ind AS standalone financial information of the Company has been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction – Non-Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (Updated as on February 17, 2020) ('the RBI Directions, 2016') and notification for Implementation of Indian Accounting Standard vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI Notification for Implementation of Ind AS') issued by RBI. The Company uses accrual basis of accounting except in case of significant uncertainties.

The reformatted Ind AS standalone financial information is presented in Indian Rupee (INR) which is also the functional currency of the Company.

The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Company. The Reformatted Ind AS Standalone Financial information has been approved for issue by the Board of Directors of the Company on September 14, 2021.

(ii) Presentation of financial statements

The Company presents its balance sheet in order of liquidity. Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

- A. The normal course of business
- B. The event of default
- C. The event of insolvency or bankruptcy of the Group and/or its counterparties.

These financial statements have been prepared in Indian Rupee which is the functional currency of the Company.

The financial statements for the year ended March 31, 2021 were authorized and approved for issue by the Board of Directors on May 19, 2021.

Indiabulls Commercial Credit Limited
Notes to the Reformatted Standalone Ind AS financial information

Note 3 :
Significant accounting policies

3.1 Use of estimates

The preparation of Standalone financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

A. Impairment loss on financial assets

The measurement of impairment losses across all categories of financial assets except assets valued at FVTPL, enquires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's expected credit loss (ECL) calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

- The Company's model, which assigns Probability of Defaults (PDs)
- The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a Long Term ECL (LTECL) basis
- The segmentation of financial assets when their ECL is assessed on a collective basis
- Development of ECL models, including the various formulas and the choice of inputs
- Determination of associations between macroeconomic scenarios and, economic inputs, and the effect on PDs, Exposure at Default (EADs) and Loss Given Default (LGDs)
- Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models.

B. Business Model Assumption

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost that are de-recognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets.



Note 3 (continued...)

C. Defined employee benefit assets and liabilities

The cost of the defined benefit gratuity plan and other post-employment benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

D. Share Based Payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

E. Fair value measurement

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

F. Effective interest rate (EIR) method

The Company's EIR methodology, recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans and recognises the effect of potentially different interest rates charged at various stages and other characteristics of the product life cycle. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to the company's base rate and other fee income/expense that are integral parts of the instrument.

3.2 Cash and cash equivalents

Cash and cash equivalent comprises cash in hand, demand deposits and time deposits held with bank, debit balance in cash credit account.

3.3 Recognition of income and expense

a) Interest income

The Company earns revenue primarily from giving loans. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Interest revenue is recognized using the effective interest method (EIR). The effective interest method calculates the amortized cost of a financial instrument and allocates the interest income. The effective interest rate is the rate that discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the gross carrying amount of the financial asset or liability. The calculation takes into account all contractual terms of the financial instrument (for example, prepayment options) and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the EIR, but not future credit losses.

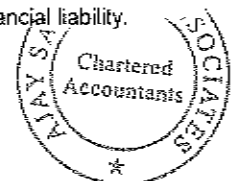
The Company calculates interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. When a financial asset becomes credit-impaired and is, therefore, regarded as 'Stage 3', the Company calculates the interest to the extent recoverable. If the financial assets cures and is no longer credit-impaired, the Company reverts to calculating interest income.

b) Interest expense

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to arrangers and other expenses such as external legal costs, provided these are incremental costs that are directly related to the issue of a financial liability.

c) Other charges and other interest

Additional interest and Overdue interest is recognised on realisation basis.



Indiabulls Commercial Credit Limited
Notes to the Reformatted Standalone Ind AS financial information

Note 3 (continued...)

e) Dividend income

Dividend income is recognized when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when shareholders approve the dividend.

3.4 Foreign currency

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency.

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Foreign currency denominated monetary assets and liabilities are translated at the functional currency spot rates of exchange at the reporting date and exchange gains and losses arising on settlement and restatement are recognized in the statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

3.5 Leases

The company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

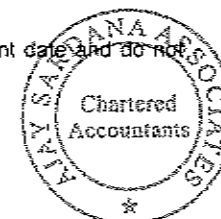
Lease Liability

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable. The lease payments also include payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.



Indiabulls Commercial Credit Limited
Notes to the Reformatted Standalone Ind AS financial information

Note 3 (continued...)

Changes in accounting policies and disclosures

Ind AS 116 Leases

Ind AS 116 supersedes Ind AS 17 Leases, Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method with the initial application date as April 01, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at 1 April 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C to Ind AS 17 at the date of initial application.

The standard provides specific transition requirements and practical expedients, which have been applied by the Company.

Significant accounting judgements, estimates and assumptions

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

3.6 Property, plant and equipment (PPE) and Intangible assets

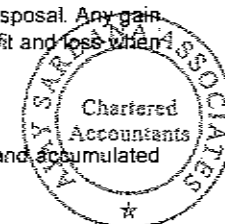
PPE

PPE are stated at cost (including incidental expenses directly attributable to bringing the asset to its working condition for its intended use) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure related to PPE is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of item can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

Intangible fixed assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.



Note 3 (continued...)

3.7 Depreciation and amortization

Depreciation

Depreciation on tangible fixed assets is provided on straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013, except for Vehicles.

Vehicles are amortised on a straight line basis over a period of five years from the date when the assets are available for use. The life has been assessed based on past usage experience and considering the change in technology.

Depreciation on additions to fixed assets is provided on a pro-rata basis from the date the asset is put to use. Leasehold improvements are amortised over the period of Lease. Depreciation on sale / deduction from fixed assets is provided for up to the date of sale / deduction, as the case may be.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Amortization

Intangible assets consisting of Software are amortised on a straight line basis over a period of four years from the date when the assets are available for use.

The amortisation period and the amortisation method for these softwares with a finite useful life are reviewed at least at each financial year-end.

3.8 Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

3.9 Provisions, Contingent Liability and Contingent Assets

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. Contingent liability is disclosed for (1) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (2) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made. Contingent Assets are not recognised in the financial statements.



Indiabulls Commercial Credit Limited
Notes to the Reformatted Standalone Ind AS financial information

Note 3 (continued...)

3.10 Retirement and other employee benefits

Retirement benefit in the form of provident fund and Employee State Insurance Scheme is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund and Employee State Insurance scheme. The Company recognizes contribution payable to the provident fund and Employee State Insurance scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company has unfunded defined benefit plans Gratuity plan for all eligible employees, the liability for which is determined on the basis of actuarial valuation at each year end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Superannuation (Pension & Medical coverage) payable to a Director on retirement is also actuarially valued at the end of the year using the Projected Unit Credit Method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

3.11 Taxes

Tax expense comprises current and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax Act, 1961, Income Computation and Disclosure Standards and other applicable tax laws. The tax rates and tax laws used to compute the amount are those that are enacted at the reporting date.

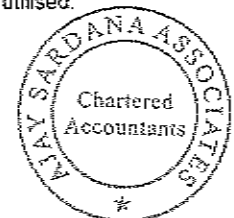
Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which during the specified period gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.



Indiabulls Commercial Credit Limited
Notes to the Reformatted Standalone Ind AS financial information

Note 3 (continued...)

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.12 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.13 Share based payments

Equity-settled share based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in Statement of Profit and Loss such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment to the Share Based Payments Reserve.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

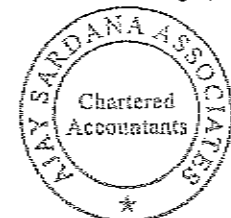
3.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.14.1 Financial Assets

3.14.1.1 Initial recognition and measurement

Financial assets, with the exception of loans and advances to customers, are initially recognised on the trade date, i.e., the date that the Company becomes a party to the contractual provisions of the instrument. Loans and advances to customers are recognised when funds are disbursed to the customers. The classification of financial instruments at initial recognition depends on their purpose and characteristics and the management's intention when acquiring them. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.



Note 3 (continued...)

3.14.1.2 Classification and Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

3.14.1.3 Debt instruments at amortised costs

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Business model: The business model reflects how the Company manages the assets in order to generate cash flows. That is, where the Company's objective is solely to collect the contractual cash flows from the assets, the same is measured at amortized cost or where the Company's objective is to collect both the contractual cash flows and cash flows arising from the sale of assets, the same is measured at fair value through other comprehensive income (FVTOCI). If neither of these is applicable (e.g. financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows (i.e. measured at amortized cost) or to collect contractual cash flows and sell (i.e. measured at fair value through other comprehensive income), the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the 'SPPI test'). In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. The amortized cost, as mentioned above, is computed using the effective interest rate method.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the statement of profit or loss. The losses arising from impairment are recognised in the statement of profit and loss.

3.14.1.4 Debt instruments at FVOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

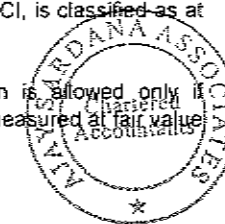
The objective of the business model is achieved both by collecting contractual cash flows and fair value changes relating to market movements selling the financial assets, and The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

3.14.1.5 Debt instruments at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.



Indiabulls Commercial Credit Limited
Notes to the Reformatted Standalone Ind AS financial information

Note 3 (continued...)

3.14.1.6 Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

3.14.2 Financial Liabilities

3.14.2.1 Initial recognition and measurement

Financial liabilities are classified and measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for trading or it is designated as on initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

3.14.2.2 Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

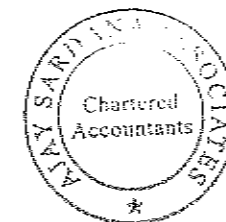
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. This category generally applies to borrowings.

3.14.3 Derivative financial instruments

The Company holds derivatives to mitigate the risk of changes in exchange rates on foreign currency exposures as well as interest fluctuations. The counterparty for these contracts is generally a bank. Derivatives that are not designated a hedge are categorized as financial assets or financial liabilities, at fair value through profit or loss. Such derivatives are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting gains or losses are included in Statement of Profit and Loss.

3.14.4 Reclassification of financial assets and liabilities

The company doesn't reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.



Note 3 (continued...)

3.14.5 De recognition of financial assets and liabilities

3.14.5.1 Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is de-recognised when the rights to receive cash flows from the financial asset have expired. The Company also de-recognised the financial asset if it has transferred the financial asset and the transfer qualifies for de recognition.

The Company has transferred the financial asset if, and only if, either:

- It has transferred its contractual rights to receive cash flows from the financial asset
- Or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Company retains the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assumes a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Company has no obligation to pay amounts to the eventual recipients unless it has collected equivalent amounts from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest at market rates.
- The Company cannot sell or pledge the original asset other than as security to the eventual recipients.
- The Company has to remit any cash flows it collects on behalf of the eventual recipients without material delay.

In addition, the Company is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either:

- The Company has transferred substantially all the risks and rewards of the asset

Or

- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Company considers control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

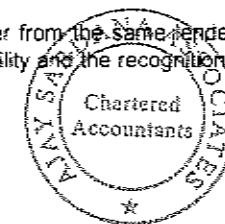
When the Company has neither transferred nor retained substantially all the risks and rewards and has retained control of the asset, the asset continues to be recognised only to the extent of the Company's continuing involvement, in which case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration the Company could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Company would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the entity's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

3.14.5.2 Financial Liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying value of the original financial liability and the consideration paid is recognised in profit or loss.



Note 3 (continued...)

3.15 Impairment of financial assets

3.15.1 Overview of the ECL principles

The Company is recording the allowance for expected credit losses for all loans and other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, (in this section all referred to as 'financial instruments'). Equity instruments are not subject to impairment under IND AS 109.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss (12mECL). The 12mECL is the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both LTECLs and 12mECLs are calculated on individual and collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition.

Based on the above process, the Company groups its loans into Stage 1, Stage 2, Stage 3, as described below:

Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECLs. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 or Stage 3.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the company records an allowance for the LTECLs. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECLs.

3.15.2 The calculation of ECLs

The Company calculates ECLs based on a probability-weighted scenarios and historical data to measure the expected cash shortfalls, discounted at an approximation to the EIR. A cash shortfall is the difference between the cash flows that are due to an entity in accordance with the contract and the cash flows that the entity expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.
- EAD - The Exposure at Default is an exposure at a default date.
- LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

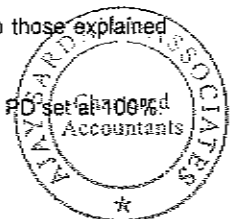
The maximum period for which the credit losses are determined is the expected life of a financial instrument.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.



Note 3 (continued...)

Loan commitments: When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For loan commitments, the ECL is recognised within Provisions.

The mechanics of the ECL method are summarised below:

Stage 1: The 12mECL is calculated as the portion of LTECLs that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. The Company calculates the 12mECL allowance based on the expectation of a default occurring in the 12 months following the reporting date. These expected 12-month default probabilities are applied to an EAD and multiplied by the expected LGD.

Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECLs. The mechanics are similar to those explained above, but PDs and LGDs are estimated over the lifetime of the instrument.

Stage 3: For loans considered credit-impaired, the Company recognizes the lifetime expected credit losses for these loans. The method is similar to that for Stage 2 assets, with the PD set at 100%.

Loan commitments: When estimating LTECLs for undrawn loan commitments, the Company estimates the expected portion of the loan commitment that will be drawn down over its expected life. The ECL is then based on the present value of the expected shortfalls in cash flows if the loan is drawn down. The expected cash shortfalls are discounted at an approximation to the expected EIR on the loan.

For loan commitments, the ECL is recognised within Provisions.

3.15.3 Forward looking information

While estimating the expected credit losses, the Company reviews macro-economic developments occurring in the economy and market it operates in. On a periodic basis, the Company analyses if there is any relationship between key economic trends like GDP, Unemployment rates, Benchmark rates set by the Reserve Bank of India, inflation etc. with the estimate of PD, LGD determined by the Company based on its internal data. While the internal estimates of PD, LGD rates by the Company may not be always reflective of such relationships, temporary overlays are embedded in the methodology to reflect such macro-economic trends reasonably.

3.15.4 Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. If the amount to be written off is greater than the accumulated loss allowance, the difference is first treated as an addition to the allowance that is then applied against the gross carrying amount. Any subsequent recoveries are credited to profit and loss account.

3.16 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date using valuation techniques.

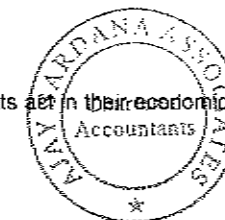
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.



Indiabulls Commercial Credit Limited
Notes to the Reformatted Standalone Ind AS financial information

Note 3 (continued...)

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.17 Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.18 Hedging

The Company makes use of derivative instruments to manage exposures to interest rate and foreign currency. In order to manage particular risks, the Company applies hedge accounting for transactions that meet specified criteria.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

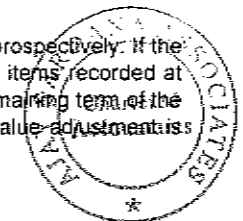
3.18.1 Fair value hedges

Fair value hedges hedge the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss.

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging derivative is recognised in the statement of profit and loss in net gain on fair value changes. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item in the balance sheet and is also recognised in the statement of profit and loss in net gain on fair value changes.

The Company classifies a fair value hedge relationship when the hedged item (or group of items) is a distinctively identifiable asset or liability hedged by one or a few hedging instruments. The financial instruments hedged for interest rate risk in a fair value hedge relationships fixed rate debt issued and other borrowed funds.

If the hedging instrument expires or is sold, terminated or exercised, or where the hedge no longer meets the criteria for hedge accounting, the hedge relationship is discontinued prospectively. If the relationship does not meet hedge effectiveness criteria, the Company discontinues hedge accounting from the date on which the qualifying criteria are no longer met. For hedged items recorded at amortised cost, the accumulated fair value hedge adjustment to the carrying amount of the hedged item on termination of the hedge accounting relationship is amortised over the remaining term of the original hedge using the recalculated EIR method by recalculating the EIR at the date when the amortisation begins. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the statement of profit and loss.



Note 3 (continued...)

3.18.2 Cash flow hedges

A cash flow hedge is a hedge of the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction and could affect profit or loss.

For designated and qualifying cash flow hedges, the effective portion of the cumulative gain or loss on the hedging instrument is initially recognised directly in OCI within equity (cash flow hedge reserve). The ineffective portion of the gain or loss on the hedging instrument is recognised immediately in net gain/loss on fair value changes in the profit and loss statement.

When the hedged cash flow affects the statement of profit and loss, the effective portion of the gain or loss on the hedging instrument is recorded in the corresponding income or expense line of the statement of profit and loss. When the forecast transaction subsequently results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in OCI are reversed and included in the initial cost of the asset or liability.

When a hedging instrument expires, is sold, terminated, exercised, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in OCI at that time re-mains in OCI and is recognised when the hedged forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in OCI is immediately transferred to the statement of profit and loss.

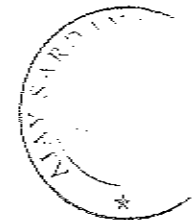
3.18.3 Cost of hedging

The Company also may separate forward element and the spot element of a forward contract and designate as the hedging instrument only the change in the value of the spot element of a forward contract. Similarly currency basis spread may be separated and excluded from the designation of a financial instrument as the hedging instrument.

When an entity separates the forward element and the spot element of a forward contract and designates as the hedging instrument only the change in the value of the spot element of the forward contract, or when an entity separates the foreign currency basis spread from a financial instrument and excludes it from the designation of that financial instrument as the hedging instrument, such amount is recognised in OCI and accumulated as a separate component of equity under Cost of hedging reserve. These amounts are reclassified to the statement of profit or loss account as a reclassification adjustment in the same period or periods during which the hedged cash flows affect profit or loss.

3.19 Investment in subsidiaries

Investment in subsidiaries are measured at cost less impairment loss, if any.



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Note 4:

Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013.

The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or noncurrent.

Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

Specified format for disclosure of shareholding of promoters.

Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.



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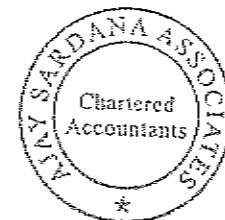
Notes to the Reformatted Standalone Ind AS financial information

	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Note 5 : Cash and cash equivalents			
Cash on hand	0.35	0.03	0.33
Balance with banks			
In current accounts	1,809.33	1,999.99	329.66
In fixed deposit accounts	0.25	0.25	158.15
Total	1,809.93	2,000.27	488.16

	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Note 6: Bank Balances other than cash and cash equivalents			
Balances with banks in fixed deposits to the extent held as margin money or security against the borrowings, guarantees, other commitments ⁽¹⁾			
	38.17	52.36	52.53
Total	38.17	52.36	52.53

(1) Deposits accounts with bank are held as Margin Money/ are under lien. The Company has the complete beneficial interest on the income earned from these deposits.

	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Note 7: Loans (at amortised cost)			
Term Loans (Net of Assignment) ^{(1) & (2)}	12,640.72	11,974.26	15,841.31
Total (A) Gross	12,640.72	11,974.26	15,841.31
Less: Provision for impairment due to expected credit loss	339.56	267.77	91.48
Total (A) Net	12,301.16	11,706.49	15,749.83
Secured by tangible assets and intangible assets ⁽³⁾	9,793.60	9,686.00	15,684.20
Unsecured	2,846.92	2,288.26	157.11
Total (B) Gross	12,640.72	11,974.26	15,841.31
Less: Provision for impairment due to expected credit loss	339.56	267.77	91.48
Total (B) Net	12,301.16	11,706.49	15,749.83
Loans in India			
Others	12,640.72	11,974.26	15,841.31
Total (C) (1) Gross	12,640.72	11,974.26	15,841.31
Less: Provision for impairment due to expected credit loss	339.56	267.77	91.48
Total (C) (1) Net	12,301.16	11,706.49	15,749.83
Loans outside India	-	-	-
Total (C) (2) Gross	-	-	-
Less: Provision for impairment due to expected credit loss	-	-	-
Total (C) (2) Net	-	-	-
Total (C)	12,301.16	11,706.49	15,749.83



Note 7 : Loans (continued...)

(1) Term Loans (net of assignment):	Amount Rs. in crores		Amount Rs. in crores
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Total term loans	13,610.24	13,561.55	17,597.83
Add: Interest accrued on loans	197.44	151.55	145.96
Less: Loans assigned	1,366.96	1,739.25	1,902.48
Term loans(net of assignment)	12,640.72	11,974.26	15,841.31

(2) Secured loan includes loan to Director for Rs. Rs 0.56 crores (March 31, 2020: Rs 0.56 crores, March 31, 2018-19 Rs. 0.56 crores).

(3) Secured loans and other credit facilities given to customers are secured / partly secured by :

- (a) Equitable mortgage of property and / or
- (b) Pledge of shares / debentures, units, other securities, assignment of life insurance policies and / or
- (c) Hypothecation of assets and / or
- (d) Company guarantees and / or
- (e) Personal guarantees and / or
- (f) Negative lien and / or Undertaking to create a security.

7.1. Impairment allowance for loans and advances to customers

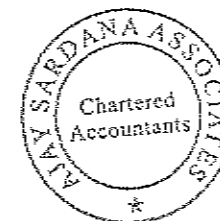
The company's Analytics Department has designed and operates its Internal Rating Model. The model is tested and calibrated periodically. The model grades loans on a four-point grading scale, and incorporates both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data of the group to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour. Some of the factors that the internal risk based model may consider are:

- a) Loan to value
- b) Type of collateral
- c) Cash-flow and income assessment of the borrower
- d) Interest and debt service cover
- e) Repayment track record of the borrower
- f) Vintage i.e. months on books and number of paid EMIs
- g) Project progress in case of project finance

In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower. The Internal Rating Model is dynamic and is calibrated periodically; the choice of parameters and division into smaller homogenous portfolios is thus also dynamic.

The table below shows the credit quality and the maximum exposure to credit risk based on the Company's internal credit rating system and year-end stage classification*.

Risk Categorization	Amount Rs. in crores			
	March 31, 2021			Total
	Stage 1	Stage 2	Stage 3	
Very Good	8,090.01	-	-	8,090.01
Good	2,177.82	1,196.60	-	3,374.52
Average	-	358.55	-	358.55
Non-performing	-	-	620.20	620.20
Grand Total	10,267.93	1,555.15	620.20	12,443.28



Note 7 : Loans (continued...)

Amount Rs. in crores

Risk Categorization	March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total
Very Good	8,128.98	-	-	8,128.98
Good	-	2,284.95	-	2,284.95
Average	-	1,061.30	-	1,061.30
Non-performing	-	-	347.37	347.37
Grand Total	8,128.98	3,346.25	347.37	11,622.60

*The above table does not include the amount of interest accrued but not due.

Risk Categorization	March 31, 2019			
	Stage 1	Stage 2	Stage 3	Total
Very Good	14,869.09	-	-	14,869.09
Good	170.74	303.81	-	474.55
Average	-	154.71	-	154.71
Non-performing	-	-	197.00	197.00
Grand Total	15,039.83	458.52	197.00	15,695.35

*The above table does not include the amount of interest accrued but not due.

An analysis of changes in the Provision for impairment due to expected credit loss in relation to Loans given is as follows:

Amount Rs. in crores

Particulars	March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
Opening Balance	64.38	126.73	76.66	267.77
ECL on assets added/ change in ECL estimates	42.01	99.60	74.40	216.01
Assets derecognised (including from loan sell downs), repaid and written off/written back	(0.74)	(98.06)	(46.52)	(144.22)
Transfers from Stage 1	(24.37)	13.49	10.68	-
Transfers from Stage 2	3.63	(103.89)	100.26	-
Transfers from Stage 3	-	0.25	(0.28)	-
Closing balance	84.91	39.25	215.40	339.56

Amount Rs. in crores

Particulars	March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total
Opening balance	39.80	3.33	48.35	91.48
ECL on assets added/ change in ECL estimates	95.95	110.28	0.29	207.52
Assets derecognised (including from loan sell downs), repaid and written off/written back	(17.80)	(2.08)	(11.34)	(31.22)
Transfers from Stage 1	(54.61)	28.66	25.94	(0.01)
Transfers from Stage 2	0.04	(13.46)	13.42	-
Transfers from Stage 3	0.00	0.00	(0.00)	-
Closing balance	64.38	126.73	76.66	267.77



Note 7 : Loans (continued...)

Particulars	March 31, 2021			Total
	Stage 1	Stage 2	Stage 3	
Opening balance	9.70	2.82	12.14	24.46
Provision created	36.15	2.90	36.53	75.53
Assets derecognised (including from loan set downs), repaid and written	(8.34)	(0.17)	-	(8.51)
Transfers from Stage 1	(0.44)	0.28	0.16	-
Transfers from Stage 2	2.30	(2.30)	-	-
Transfers from Stage 3	0.48	-	(0.48)	-
Closing balance	39.80	3.33	48.35	91.48

The Company has adopted a conservative approach to expected credit loss (ECL) staging and accounts have been categorized as Stage 2 based on analysis of stress in particular industry segments – even if the loan accounts are regular in debt servicing.

IndAS ECL guidelines also do not permit creation of unattached ad-hoc counter-cyclical provisions outside of the analytically computed ECL provisions. Thus, this identification of stress in industry particular industry segments and categorizing a significantly larger number of loans as Stage 2 has formed the basis of the robust provisioning buffer the Company has created – as on March 31, 2021, the company had total provisions against loan book of ₹ 339.56 Crores which is 2.73% of the loan book.

Refer to Note 57 for details of loans where the Company has offered moratorium for loans and asset classification benefit has been applied.

7.2. Impairment assessment

The Company's impairment assessment and measurement approach is set out in the notes below. It should be read in conjunction with the Summary of significant accounting policies.

7.2. (i) Probability of default

The Company considers a financial instrument as defaulted and classifies it as Stage 3 (credit-impaired) for ECL calculations typically when the borrower becomes 90 days past due on contractual payments. The Company may also classify a loan in Stage 3 if there is significant deterioration in the loan collateral, deterioration in the financial condition of the borrower or an assessment that adverse market conditions may have a disproportionately detrimental effect on the loan repayment. Thus, as a part of the qualitative assessment of whether an instrument is in default, the company also considers a variety of instances that may indicate delay in or non-repayment of the loan. When such events occur, the company carefully considers whether the event should result in treating the borrower as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

Classification of accounts into stage 2 is done on a conservative basis and typically accounts where contractual repayments are more than 30 days past due are classified in stage 2. Accounts usually go over 30 days past due owing to temporary mismatch in timing of the borrowers' or his/her business' underlying cash flows, and are usually quickly resolved. It has been the company's experience that resolution rates (movement from stage 2 to stage 1) are high and in FY19 99.9% (previous year 98.9%) of stage 2 assets moved to stage 1.

It is the company's policy to consider a financial instrument as 'cured' and therefore re-classified out of Stage 3 when none of the default criteria are present. The decision whether to classify an asset as Stage 2 or Stage 1 once cured depends on the updated credit grade once the account is cured, and whether this indicates there has been a significant reduction in credit risk.

7.2. (ii) Internal rating model and PD Estimation process

The company's internal rating and PD estimation process:

The company's Analytics Department has designed and operates its Internal Rating Model that factors in both quantitative as well as qualitative information on the loans and the borrowers. The model uses historical empirical data of the group to arrive at factors that are indicative of future credit risk and segments the portfolio on the basis of combinations of these parameters into smaller homogenous portfolios from the perspective of credit behaviour. The PDs are computed for these homogenous portfolio segments. The PDs are also used for Ind-AS 109 ECL calculations and the Ind AS 109 Stage classification of the exposure.



Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

Note 7 : Loans (continued...)

7.2 (iii) Exposure at default

The outstanding balance as at the reporting date is considered as EAD by the company. Considering that PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

7.2 (iv) Loss given default

The Company uses historical loss data of the group for identified homogeneous pools for the purpose of calculating LGD. The estimated recovery cash flows are discounted such that the LGD calculation factors in the NPV of the recoveries.

7.2 (v) Significant increase in credit risk

The internal rating model evaluates the loans on an ongoing basis. The rating model also assesses if there has been a significant increase in credit risk since the previously assigned risk grade. One key factor that indicates significant increase in credit risk is when contractual payments are more than 30 days past due.

7.2 (vi) Company's financial assets measured on a collective basis

For Stage 3 assets ECL is calculated on an individual basis.

For stages 1 and 2 the internal rating model analyses historical empirical data, determines parameters that are indicative of future credit risk and segments the portfolio on the basis of a combination of these parameters into smaller homogeneous portfolios. The loss estimation for these pools is hence done on a collective basis. In addition to information specific to the borrower and the performance of the loan, the model may also utilise supplemental external information that could affect the borrower's behaviour. The model is also calibrated to incorporate external inputs such as GDP growth rate, unemployment rate and factors specific to the sector/industry of the borrower.

7.3. Inputs to the ECL model for forward looking economic scenarios

The internal rating model also provides for calibration to reflect changes in macroeconomic parameters and industry specific factors.

7.4. Collateral

The company is in the business of extending secured loans mainly backed by mortgage of property (residential or commercial).

In addition to the above mentioned collateral, the Company holds other types of collateral and credit enhancements, such as cross-collateralisation on other assets of the borrower, share pledge, guarantees of parent/holding companies, personal guarantees of promoters/proprietors, hypothecation of receivables via escrow account, hypothecation of receivables in other bank accounts etc.

In its normal course of business, the Company does not physically repossess properties or other assets, but recovery efforts are made on delinquent loans through on-rolls collection executives, along with legal means to recover due loan repayments. Once contractual loan repayments are more than 90 days past due, repossession of property may be initiated under the provisions of the SARFAESI Act 2002. Repossessed property is disposed of in the manner prescribed in the SARFAESI act to recover outstanding debt.

The Company did not hold any financial instrument for which no loss allowance is recognised because of collateral at March 31, 2021. There was no change in the Company's collateral policy or collateral quality during the year.

7.5 Impact of Covid-19 and provision for impairment due to expected credit loss

The outbreak of COVID-19 virus, and more specifically the ongoing current wave of infections and resultant lockdowns continue to cause significant disruptions and dislocations for individuals and businesses. While the lockdown introduced by the government at the beginning of the year were lifted in a phased manner and was followed by a period of increased economic activity, with the onset of a very severe second wave of infections, state governments have reintroduced lockdowns and have imposed restrictions on movement of people and goods. The Company's performance continues to be dependent on future developments, which are uncertain, including, among other things, including the current wave that has significantly increased the number of cases in India and any action to contain its spread or mitigate its impact.



Notes to the Reformatted Standalone Ind AS financial information

Note 7 : Loans (continued...)

A. In accordance with the Reserve Bank of India's guidelines relating to CoVID-19 Regulatory Package dated 27 March 2020 and 17 April 2020, the Company has granted moratorium of three months on the payment of all instalments falling due between 1 March 2020 and 31 May 2020 to all eligible borrowers who have requested for the moratorium, as per its Board approved policy. The RBI via press release dated May 22, 2020 has permitted lending institutions to extend the moratorium by another three months, i.e., from June 1, 2020 to August 31, 2020. The Company has extended the EMI moratorium to its customers based on requests received from such customers, as per its Board approved policy. In accordance with the guidance from the ICAI and in management's view, the extension of the moratorium to the Company's borrowers by the Company pursuant to the RBI guidelines relating to COVID 19 Regulatory Package dated March 27, 2020 and April 17, 2020 and RBI press release, by itself is not considered to result in a significant credit risk (SCR) of such borrowers.

The Company is mainly engaged in the business of financing by way of loans against property (LAP), mortgage backed SME loans, and certain other purposes in India. Operations of all these segments were impacted over the past few years and consequent to COVID 19 pandemic are expected to be further significantly impacted, including erosion in the asset values of the collaterals held by the Company. The Company has assessed each of its loan portfolios and performed a comprehensive analysis of the staging of each of its borrower segments. Further, the Company has also analysed its outstanding exposures viz a viz the valuation of the collateral/underlying property based on third party valuation reports. Based on the above analysis, the Company has recorded a provision for impairment due to expected credit loss (ECL), of Rs.339.56 crores in respect of its loans and advances as at 31 March 2021, to reflect, among other things, an increased risk of deterioration in macro-economic factors caused by COVID-19 pandemic. The ECL provision has been determined based on estimates using information available as of the reporting date and given the unique nature and scale of the economic impact of this pandemic, the expected credit loss is based on various variables and assumptions, which could result in actual credit loss being different than that being estimated. As a result of this pandemic, the credit performance and repayment behaviour of the customers' needs to be monitored closely. In the event the impact of pandemic is more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of the financial assets, results of operations and the financial position of the Company.

B. The Company has considered the following key matters in determining its liquidity position for the next 12 months:

- Schemes announced by the Government of India, which will directly benefit Non-Banking Financial Companies through guarantees from the Government of India. The Company has evaluated these schemes and is considering applications to seek fund under the schemes;
- Current status / outcomes of discussions with the Company's lenders, seeking moratorium on the Company's debt service obligations to such lenders;
- Status of its requests for additional funding, from existing lenders as well as others.

Based on the detailed assessment of the monthly cash inflows and outflows for next 12 months and the management has concluded that it will be able to meet its obligations.

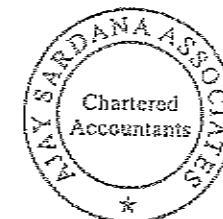
	Amount Rs. in crores			
	As at March 31, 2021			
	At amortised Cost	At fair value through profit or loss	Others	Total
Note 8: Investments				
In units of Mutual funds (Refer footnotes 1 & 2 below)	-	919.46	-	919.49
Debt securities (Refer footnote 3 below)	-	30.39	-	30.39
In equity shares of Subsidiary company (Refer footnote 4 below)	-	-	1.91	1.91
Total gross	-	949.87	1.91	951.78
Less: Allowance for impairment loss	-	-	1.91	1.91
Total net	-	949.87	-	949.87

(1) Includes investment in mutual funds of Rs. 23.32 crores (March 31, 2020 Rs. 13.31 crores under lien / provided as credit enhancement in respect of assignment deal for loans.

(2) Investments in units of mutual funds includes investments in units of alternative investment funds.

(3) Investments in debt securities includes investments in security receipts of asset reconstruction company in respect of restructuring of certain loans.

(4) The Company holds 310,000 equity shares of face value of USD 1 per share in Indiabulls Asset Management, Mauritius, (a wholly owned subsidiary of the Company), which is a private company, limited by shares registered in Mauritius, holding a Category 1 Global Business License. The subsidiary company is in the process of being liquidated as per the applicable regulations in Mauritius, the country of its incorporation. During the financial year ended March 31, 2021, the Company has received interim distribution of liquidation proceeds of USD 27401.74 (United States dollars Twenty Seven Thousand Four Hundred One Cents Seventy Four Only) equivalent to Rs. 0.21 crore. Accordingly, the Company has reversed the provision for impairment in the value of its investment by Rs. 0.21 crore during the year ended March 31, 2021.



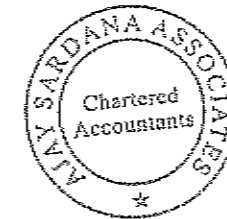
Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

	Amount Rs. in crores			
	As at March 31, 2020			
	At amortised Cost	At fair value through profit or loss	Others	Total
Note 8: Investments				
In units of Mutual funds	-	994.37	-	994.37
Debt securities	-	596.06	-	596.06
In equity shares of Subsidiary company	-	-	2.12	2.12
Total gross	-	1,590.43	2.12	1,592.55
Less: Allowance for Impairment loss	-	-	2.12	2.12
Total net	-	1,590.43	-	1,590.43

	Amount Rs. in crores			
	As at March 31, 2019			
	At amortised Cost	At fair value through profit or loss	Others	Total
In units of Mutual funds	-	292.65	-	292.65
Debt securities	-	123.02	-	123.02
In equity shares of Subsidiary company	-	-	1.55	1.55
Total gross	-	415.67	1.55	417.22
Less: Allowance for Impairment loss	-	-	-	-
Total net	-	415.67	1.55	417.22

	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
	Note 9: Other financial assets		
Security deposit ^(Refer Page 34)	0.72	4.09	4.40
Interest only strip receivable	39.89	91.27	149.49
Interest accrued on Fixed Deposit accounts	1.35	1.65	2.10
Interest accrued on investments	-	25.01	5.17
Other financial assets	10.82	7.53	3.10
Total	52.58	129.55	164.26



Notes to the Reformatted Standalone Ind AS financial information

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Note 10: Deferred tax assets/(liabilities) (net)			
Deferred tax assets:			
Arising on account of temporary differences due to:			
Provision for employee benefits	1.14	1.44	1.89
Property, plant and equipment	0.97	0.69	0.01
Provision for impairment due to expected credit loss	85.46	67.39	31.97
Disallowance under section 35DD of the Income Tax Act, 1961	-	-	0.01
EIR adjustment on loans	2.44	4.96	13.57
Right of use assets	0.04	0.09	-
Provision for diminution in value of investment	0.48	0.53	-
	90.53	75.10	47.45
Deferred tax liabilities:			
Arising on account of temporary differences due to:			
Difference between accounting income and taxable income	7.21	16.98	0.97
Provision for bad debts under section 36(1)(viii) of the Income Tax Act, 1961	3.19	2.19	5.48
Interest only strip receivable	8.84	20.43	46.69
EIR adjustments on borrowings	0.68	7.13	0.13
	19.92	46.73	53.27
Net	70.61	28.37	(5.82)

Movement in deferred tax balances

March 31, 2021	Balance as on April 01, 2020	Recognised in Profit and loss	Recognised in OCI	Amount Rs. in crores Balance as on March 31, 2021
Arising on account of temporary differences due to:				
Provision for employee benefits	1.44	(0.20)	(0.10)	1.14
Provision for impairment due to expected credit loss	67.39	18.07	-	85.46
EIR adjustment on loans	4.96	(2.52)	-	2.44
Property, plant and equipment	0.69	0.29	-	0.97
Difference between accounting income and taxable income	(16.98)	9.77	-	(7.21)
Provision for bad debts under section 36(1)(viii) of the Income Tax Act, 1961	(2.19)	(1.00)	-	(3.19)
Interest only strip receivable	(20.43)	11.59	-	(8.84)
EIR adjustments on borrowings	(7.13)	6.45	-	(0.68)
Right of use assets	0.09	(0.05)	-	0.04
Provision for diminution in value of investment	0.53	(0.05)	-	0.48
Deferred tax assets/(liabilities)	28.37	42.34	(0.10)	70.61

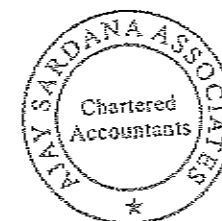


Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

Note 10: Deferred tax assets/(liabilities) (net) (continued...)

March 31, 2020	Balance as on April 01, 2019	Rate change impact in Profit and Loss	Recognised in Profit and loss	Recognised in OCI	Amount Rs. in crores Balance as on March 31, 2020
Arising on account of temporary differences due to:					
Provision for employee benefits	1.89	(0.53)	0.06	0.02	1.44
Provision for impairment due to expected credit loss	31.97	(8.94)	44.36	-	67.39
Disallowance under section 35DD of the Income Tax Act, 1961	0.01	-	(0.01)	-	-
EIR adjustment on loans	13.57	(3.80)	(4.81)	-	4.96
Property, plant and equipment	0.01	-	0.68	-	0.69
Difference between accounting income and taxable income	(0.97)	0.27	(15.26)	-	(15.96)
Provision for bad debts under section 36(1)(via) of the Income Tax Act, 1961	(5.48)	1.53	1.76	-	(2.19)
Interest only strip receivable	(46.69)	13.06	13.20	-	(20.43)
EIR adjustments on borrowings	(0.13)	0.04	(7.04)	-	(7.13)
Right of use assets	-	-	0.09	-	0.09
Provision for diminution in value of investment	-	-	0.53	-	0.53
Deferred tax assets/(liabilities)	(5.82)	1.63	32.54	0.02	28.37



Indiabulls Commercial Credit Limited
Notes to the Reformatted Standalone Ind AS financial information

Note 11
Note 11.1 Property, plant and equipment

	Amount Rs. in crores						
	Leasehold improvements	Computers and printers	Furniture and fixtures	Motor vehicles	Office equipment	Land	Total
Gross block							
At April 1, 2018	0.12	1.64	0.55	7.50	0.47	0.10	10.48
Additions	0.96	0.22	0.75	2.89	0.30	-	4.62
Disposals	-	-	-	-	-	-	-
At April 1, 2019	1.08	1.86	0.80	10.49	0.77	0.10	15.10
Additions	0.22	0.01	0.02	0.02	0.06	-	0.31
Disposals	0.40	0.02	0.07	0.03	0.14	-	0.65
At March 31, 2020	0.90	1.85	0.75	10.47	0.69	0.10	14.76
Additions	-	-	0.02	-	-	-	0.02
Disposals	0.07	-	0.03	5.90	0.03	-	6.03
At March 31, 2021	0.83	1.85	0.74	4.57	0.66	0.10	8.75
Depreciation							
At April 1, 2018	0.02	1.24	0.13	2.17	0.33	-	3.89
Charged for the year	0.08	0.32	0.07	2.03	0.10	-	2.60
Disposals	-	-	-	-	-	-	-
At March 31, 2019	0.10	1.56	0.20	4.20	0.43	-	6.49
Charged for the year	0.12	0.16	0.06	1.96	0.10	-	2.42
Disposals	0.05	0.02	0.01	-	0.04	-	0.12
At March 31, 2020	0.17	1.70	0.27	6.16	0.49	-	8.79
Charged for the year	0.09	0.12	0.07	1.52	0.07	-	1.87
Disposals	0.03	-	0.01	4.49	0.02	-	4.55
At March 31, 2021	0.23	1.82	0.33	3.19	0.54	-	6.11

Net block

At March 31, 2019	0.98	0.30	0.60	6.29	0.34	0.10	8.61
At March 31, 2020	0.73	0.15	0.48	4.31	0.20	0.10	5.97
At March 31, 2021	0.60	0.03	0.41	1.38	0.12	0.10	2.64

Note 11.2 Other intangible assets

	Amount Rs. in crores	
	Software	Total
Gross block		
At April 1, 2018	9.84	9.84
Additions	-	-
Disposals	-	-
At March 31, 2019	9.84	9.84
Additions	-	-
Disposals	-	-
At March 31, 2020	9.84	9.84
Disposals	-	-
At March 31, 2021	9.84	9.84

Amortization

At April 1, 2018	1.61	3.51
Charged for the year	2.46	2.46
At April 1, 2019	6.07	6.07
Charged for the year	2.46	2.46
At March 31, 2020	5.53	5.53
Charged for the year	1.31	1.31
At March 31, 2021	9.84	9.84

Net block

At March 31, 2019	3.77	3.77
At March 31, 2020	1.31	1.31
At March 31, 2021	-	-

Note 11.3 Right of use Assets (Refer Note 42)

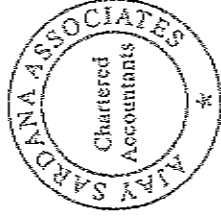
	Amount Rs. in crores	
		Total
Gross block		
Balance as at April 1, 2019 - on account of implementation of Ind AS 116	15.20	15.20
Disposals	5.84	5.84
Additions	9.36	9.36
At March 31, 2020	-	-
Disposals	0.34	0.34
At March 31, 2021	9.02	9.02

Amortization

At April 1, 2019	-	-
Charged for the year	3.99	3.99
At March 31, 2020	3.99	3.99
Charged for the year	1.36	1.36
At March 31, 2021	5.35	5.35

Net block

At March 31, 2019	-	-
At March 31, 2020	5.37	5.37
At March 31, 2021	3.67	3.67



Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Note 12: Other non financial assets			
Capital advances	36.66	0.02	0.18
Unamortised portion of deemed cost for corporate guarantees	32.43	37.49	40.15
Other non financial assets	3.46	8.67	18.64
Total	72.55	46.38	59.17

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Note 13: Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises; and ^(Refer note 39)	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.40	0.01	5.15
Total	0.40	0.01	5.15

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Note 14: Debt securities (at amortised cost)			
Secured*			
Debentures ^(Refer note 39)	2,192.77	2,440.38	2,215.22
Total	2,192.77	2,440.38	2,215.22
Debt securities in India	2,192.77	2,440.38	2,215.22
Debt securities outside India	-	-	-
Total	2,192.77	2,440.38	2,215.22

* Redeemable Non-Convertible Debentures are secured against mortgage of immovable property, hypothecation of other financial assets and current and future loan assets of the Company except such receivable specifically charged (including investment).

The Company has, in all material respects, utilised the proceeds of issue of the above debt securities as stated in the respective offer document. There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.



Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Note 15: Borrowings (at amortised cost)			
Secured			
Loan from banks and Others ^{(1) & (2)} (Refer note 13(a))	3,806.00	5,333.07	5,827.63
Cash credit facility/Working Capital Demand loans/ Overdraft from banks ^{(2)&(5)}	35.18	15.00	36.21
Loans from related parties			
- from Holding Company - Indiabulls Housing Finance Limited ^{(2), (3) & (4)}	1,296.00	568.42	247.00
Securitisation Liability ^(Refer Note 43)	139.87	146.61	-
Unsecured			
Bank overdraft ⁽⁵⁾	-	-	2,138.60
Lease Liability ^(Refer Note 42)	3.83	5.72	-
Total	5,280.88	6,088.82	8,247.44
Borrowings in India	5,280.88	6,088.82	8,247.44
Borrowings outside India	-	-	-
Total	5,280.88	6,088.82	8,247.44

{1} Secured by hypothecation of loan receivables (Current and Future), other financial assets, cash and cash equivalents) of the Company (including investment) and bank balance other than Cash and cash equivalents.

{2} Linked to reference rate used by respective lenders.

{3} Secured by hypothecation of receivables (Current and Future) of the Company

{4} Repayable at any time before expiry at the end of 48 months from the date of disbursement/agreement.

{5} The Company has availed cash credit revolving facility from a bank and the same is repayable on demand. The cash credit facility is secured by way of pari passu charge on current assets including loans and advances and receivables of the Company with a minimum security cover as agreed with the bank. Overdraft facility from bank against fixed deposits is secured against cash margin in the form of fixed deposit maintained with the respective bank. Interest on such facility is payable monthly at the bank prescribed rate linked with the respective fixed deposit.

There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.



Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Note 16: Subordinated liabilities (at amortised cost)			
Subordinate debt (unsecured) ^{(Refer note 125(i))}	349.40	348.86	343.96
Total	349.40	348.86	343.96
Subordinated liabilities in India	349.40	348.86	343.96
Subordinated liabilities outside India	-	-	-
Total	349.40	348.86	343.96

The Company has, in all material respects, utilised the proceeds of issue of the above debt securities as stated in the respective offer document. There is no continuing default in the repayment of the aforesaid loans or interest as at the balance sheet date.

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Note 17: Other financial liabilities			
Interest accrued but not due on borrowings	130.31	160.93	145.88
Amount payable on assigned loans	51.81	195.34	46.44
Other liabilities	64.69	84.36	51.10
Temporary overdrawn Balances as per books	3,155.90	2,618.53	1,560.94
Servicing liability on assigned loans	4.57	10.11	15.87
Total	3,406.88	3,067.27	1,820.23

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Note 18: Provisions			
Provision for employee benefits ^(Refer note 35)	1.16	1.35	1.35
Compensated absences	3.67	4.32	4.07
Gratuity	-	-	2.78
Provision for corporate dividend tax on preference share dividend	-	-	-
Total	4.83	5.67	8.21

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Note 19: Other Non-financial liabilities			
Statutory dues payable and other non financial liabilities	83.85	25.82	13.98
Total	83.85	25.82	13.98



Note 20: Equity share capital

Details of authorized, issued, subscribed and paid up equity share capital

Authorized equity share Capital ^{(1) to (6)}	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount Rs. in crores	No of Shares	Amount Rs. in crores	No of Shares	Amount Rs. in crores
Equity shares of face value Rs. 10 each	25,00,00,000	250.00	25,00,00,000	250.00	25,00,00,000	250.00
Total	25,00,00,000	250.00	25,00,00,000	250.00	25,00,00,000	250.00

(1) Pursuant to and in terms of the Scheme of Arrangement as approved by the Hon'ble High Court of Delhi vide its order dated March 15, 2016, the authorised share capital of the Company was increased from Rs. 55 crore to Rs. 66 crore, divided into 43,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of face value of Rs.10 each.

(2) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on October 12, 2017 the Company's authorised share capital was increased from Rs. 66 crore to Rs. 72.73 crore, divided in to 50,226,573 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

(3) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on March 1, 2018 the Company's authorised share capital was increased from Rs. 72.73 crore to Rs. 85 crore divided in to 62,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

(4) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on May 31, 2018 the Company's authorised share capital was increased from Rs. 85 crore to Rs. 135 crore divided in to 112,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

(5) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on January 28, 2019 the Company's authorised share capital was increased from Rs. 135 crore to Rs. 250 crore divided in to 227,500,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

(6) In pursuance of Section 61(1) and other applicable provisions, if any, of the Companies Act, 2013, and pursuant to the approval of the members of the Company in their extra ordinary general meeting held on March 14, 2019 the Company's authorised share capital was increased from Rs. 250 crore to Rs. 272.50 crore divided in to 260,000,000 equity shares of face value of Rs.10 each and 22,500,000 preference shares of Rs. 10 each.

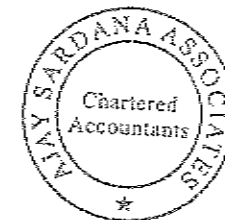
Issued, Subscribed & Paid up capital ^{(1) to (4)}	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount Rs. in crores	No of Shares	Amount Rs. in crores	No of Shares	Amount Rs. in crores
Equity shares of face value Rs. 10 each	24,77,99,324	247.80	24,77,99,324	247.80	24,77,99,324	247.80
Total	24,77,99,324	247.80	24,77,99,324	247.80	24,77,99,324	247.80

(i) Terms/ rights attached to Equity Shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Consequent upon the increase in authorised share capital, on October 12, 2017, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on October 31, 2017 granted their approval and the Company issued and allotted 7,400,285 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 135.13 per equity share fully paid (including securities premium of Rs. 125.13 per share), ranking pari passu with existing shares.



Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

Note 21.1: Equity share capital (continued...)

(iii) Consequent upon the increase in authorised share capital, on March 1, 2018, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on March 22, 2018 granted their approval and the Company issued and allotted 10,344,828 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 145 per equity share fully paid (including securities premium of Rs. 135 per share), ranking pari passu with existing shares.

(iv) Consequent upon the increase in authorised share capital, on May 31, 2018, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on June 20, 2018 granted their approval and the Company issued and allotted 47,077,923 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 154 per equity share fully paid (including securities premium of Rs. 144 per share), ranking pari passu with existing shares.

(v) Consequent upon the increase in authorised share capital, on January 28, 2019, and upon receipt of consideration in cash, the Board of Directors of the Company, at their meeting held on February 22, 2019 granted their approval and the Company issued and allotted 117,850,000 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 170 per equity share fully paid (including securities premium of Rs. 160 per share) for a consideration received of Rs. 20,000,500,000, ranking pari passu with existing shares.

(vi) The Board of Directors of the Company, at their meeting held on March 25, 2019 granted their approval and the Company issued and allotted 22,500,000 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 80 per equity share fully paid (including securities premium of Rs. 70 per share) by conversion of the outstanding preference shares, ranking pari passu with existing shares, in accordance with the terms of the issue of such preference shares.

The reconciliation of equity shares outstanding at the beginning and at the end of the reporting year.

Name of the shareholder	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount Rs. in crores	No. of shares	Amount Rs. in crores	No. of shares	Amount Rs. in crores
Equity shares outstanding at the beginning of year	24,77,99,324	247.80	24,77,99,324	247.80	6,05,71,401	60.57
Add:						
Equity shares allotted during the year	-	-	-	-	-	-
Shares issued for consideration received in cash during the year	-	-	-	-	16,47,27,923	164.73
Shares issued pursuant to conversion of Compulsorily convertible Preference Shares	-	-	-	-	2,25,00,000	22.50
Equity share outstanding at the end of year	24,77,99,324	247.80	24,77,99,324	247.80	24,77,99,324	247.80

Details of shareholders holding more than 5% shares in the company

Name of the shareholder	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Holding company Indiabulls Housing Finance Limited	24,77,99,324	100%	24,77,99,324	100%	24,77,99,324	100%
Total	24,77,99,324		24,77,99,324		24,77,99,324	



Aggregate number and class of shares allotted as fully paid up pursuant to contract without payment being received in cash

Particulars	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Equity shares allotted as fully paid pursuant to contract without payment being received in cash	-	-	-	-	-	3,28,26,288

* 3,28,26,288 equity shares were allotted by the Company, for consideration other than cash, to the shareholders of IFCL, pursuant to and in terms of the Scheme of Arrangement, approved by the Hon'ble High Court of Delhi vide its order dated March 15, 2016, which came into effect on March 31, 2016, with effect from the Appointed Date April 1, 2015

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Employee Stock Options: Refer note 35

Note 21: Preference share capital

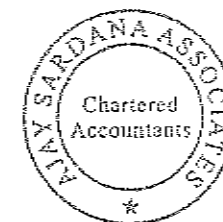
Details of authorized preference share capital

Authorized preference share Capital	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount Rs. in crores	No of Shares	Amount Rs. in crores	No of Shares	Amount Rs. in crores
Preference shares of Rs. 10 each	2,25,00,000	22.50	2,25,00,000	22.50	2,25,00,000	22.50
Total	2,25,00,000	22.50	2,25,00,000	22.50	2,25,00,000	22.50

(i) On March 26, 2013 ("the Company"), pursuant to the approval granted by the Members of the Company, at the meeting held on March 26, 2013, has issued 22,500,000 10% Compulsory Convertible Preference Shares of face value Rs.10 per share at a premium Rs.80 to its holding Company Indiabulls Housing Finance Limited ("IHFL"). The said preference shares carry cumulative dividend @ 10% per annum. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. Each holder of the Preference Shares is entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to the Preference Shares. The Preference Shares are convertible into equity shares, at any time at the option of the Preference Shareholders or on the expiry of 20 years from the date of allotment viz., March 26, 2013.

(ii) The Board of Directors of the Company, at their meeting held on March 25, 2019 granted their approval and the Company issued and allotted 22,500,000 equity shares respectively of face value Rs. 10 per share to its Holding Company, Indiabulls Housing Finance Limited ("IHFL") at Rs. 80 per equity share fully paid (including securities premium of Rs. 70 per share) by conversion of the outstanding preference shares, ranking pari passu with existing shares, in accordance with the terms of the issue of such preference shares.

Issued, subscribed & paid up capital ^{(1) & (2)}	As at March 31, 2021		As at March 31, 2020		As at March 31, 2019	
	No of Shares	Amount Rs. in crores	No of Shares	Amount Rs. in crores	No of Shares	Amount Rs. in crores
Preference shares outstanding at the beginning of year	-	-	-	-	2,25,00,000	22.50
Add:						
Preference shares issued during the year	-	-	-	-	-	-
Less:						
Preference shares converted to fully paid up equity shares	-	-	-	-	(2,25,00,000)	(22.50)
Preference share at the end of year	-	-	-	-	-	-

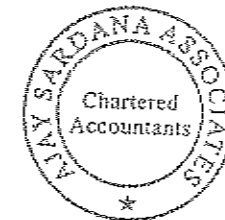


Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

Note 22: Other equity

	As at March 31, 2021	As at March 31, 2020	Amount Rs. in crores As at March 31, 2019
Capital reserve⁽¹⁾			
Opening balance	0.17	0.17	0.17
Add: Additions during the year	-	-	-
Closing balance	0.17	0.17	0.17
Capital redemption reserve⁽¹⁾			
Opening balance	4.00	4.00	4.00
Add: Additions during the year	-	-	-
Closing balance	4.00	4.00	4.00
Securities premium account⁽²⁾			
Opening balance	3,249.40	3,249.40	690.77
Add: Additions during the year	-	-	2,560.32
Closing balance	3,249.40	3,249.40	3,251.09
Less: Share issue expenses	-	-	1.69
Closing balance	3,249.40	3,249.40	3,249.40
Special reserve u/s 36(i)(viii) of I Tax Act, 1961⁽¹⁾			
Opening balance	86.65	86.65	42.91
Add: Additions during the year	51.54	-	43.74
Closing balance	138.19	86.65	86.65
Reserve fund u/s 45IC of the R.B.I. Act, 1934⁽²⁾			
Opening balance	207.26	203.30	135.70
Add: Amount transferred during the year	27.81	3.96	64.60
Closing balance	235.07	207.26	203.30
Fair value of corporate guarantee			
Opening balance	51.39	41.63	-
Add: Additions during the year	4.27	9.76	41.63
Closing balance	55.66	51.39	41.63
Debenture redemption reserve⁽²⁾			
Opening balance	247.04	83.83	-
Add: Additions during the year	-	163.21	83.83
Closing balance	247.04	247.04	83.83
Share based payment reserve⁽³⁾			
Opening balance	6.14	3.76	1.73
Add: Additions during the year	2.66	2.36	2.03
Closing balance	8.80	6.14	3.76
Retained earnings⁽⁴⁾	366.84	307.15	454.50
Other Comprehensive Income	0.23	(0.05)	0.01
Total	4,305.40	4,159.15	4,127.25



Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

Note 22 : Other Equity (continued...)

{1} Special reserve u/s 36(1)(viii) of I Tax Act, 1961

In terms of Section 36(1)(viii) of the Income Tax Act, 1961, a deduction is allowed for income from eligible business viz, Income from providing long-term infrastructure finance, long-term finance for the construction or purchase houses in India for residential purposes and the business of providing long-term finance for industrial or agricultural development etc. The Company claims the deduction as it falls under some of the categories of eligible business as defined under Section 36(1)(viii) of the Income Tax Act, 1961. Consequently the Company has, as at year end, transferred an amount of Rs. 51.64 crore (2019-20 Rs. Nil, 2018-19 Rs. Nil) to the special reserve account to claim deduction in respect of eligible business under the said section.

{2} Reserve fund

In terms of Section 45-IC of the RBI Act, 1934, the Company is required to transfer at least 20% of its Net Profits (after tax) to a reserve before any dividend is declared. As at the year end, the Company has transferred an amount of Rs. 27.81 crore (2019-20 Rs. 3.96 crore, 2018-19 Rs. 64.60) to the reserve fund.

{3} Capital reserve

The Company recognises profit and loss on purchase, sale, issue or cancellation of the Group's own equity instruments to capital reserve.

{4} Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

{5} Capital redemption reserve

As per Companies Act, 2013, capital redemption reserve is created when company purchases its own shares out of free reserves or securities premium. A sum equal to the nominal value of the shares so purchased is transferred to capital redemption reserve. The reserve is utilised in accordance with the provisions of section 69 of the Companies Act, 2013.

{6} Retained earnings

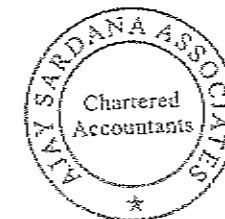
Retained earnings are the accumulated profits earned by the Company till date, less transfer to general reserves, dividend (including dividend distribution tax) and other distributions made to the shareholders.

{7} Debenture Redemption Reserve

The Companies Act, 2013 requires that where a company issues debentures, it shall create a debenture redemption reserve out of profits of the company available for payment of dividend. The Company is required to maintain a Debenture Redemption Reserve of 25% of the value of debentures issued by a public issue. The amounts credited to the debenture redemption reserve may not be utilised by the company except to redeem debentures. The Ministry of Corporate Affairs (MCA) has amended the Companies (Share Capital and Debenture) Rules, 2014, doing away with creation of debenture redemption reserve by NBFCs with respect to issue of non convertible debentures (NCDs). Vide the said amendment, now NBFCs are required on or before 30 April of each year to invest or deposit in prescribed securities, a sum not less than 15 per cent of the debentures maturing during the year ending on 31 March of the next year.

{8} Share based payment reserve

The share based payment reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in share based payment reserve are transferred to share premium/retained earnings upon exercise of stock options by employees.



Indiabulls Commercial Credit Limited

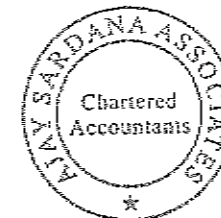
Notes to the Reformatted Standalone Ind AS financial information:

Amount Rs. in crores			
Year ended March 31, 2021			
	On financial assets measured at Amortised cost	Interest income on securities classified at fair value through profit and loss	Total
Note 23: Interest income			
Interest on loans	1,589.98	-	1,589.98
Interest on debt securities	-	22.93	22.93
Interest on deposits with banks	2.72	-	2.72
Total	1,592.70	22.93	1,615.63

Amount Rs. in crores			
Year ended March 31, 2020			
	On financial assets measured at Amortised cost	Interest income on securities classified at fair value through profit and loss	Total
Note 23: Interest income			
Interest on loans	1,982.17	-	1,982.17
Interest on debt securities	-	45.11	45.11
Interest on deposits with banks	6.44	-	6.44
Total	1,968.61	45.11	2,013.72

Amount Rs. in crores			
Year ended March 31, 2019			
	On financial assets measured at Amortised cost	Interest income on securities classified at fair value through profit and loss	Total
Note 23: Interest income			
Interest on loans	1,463.05	-	1,463.05
Interest on debt securities	-	4.97	4.97
Interest on deposits with banks	3.43	-	3.43
Total	1,466.48	4.97	1,471.45

Amount Rs. in crores			
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Note 24: Dividend income			
Dividend income on mutual funds/shares	-	46.22	101.02
Total	-	46.22	101.02



Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

	Amount Rs. in crores		
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Note 25: Fee and commission income			
Foreclosure income	1.22	40.51	35.07
Fee income from services	1.50	1.23	88.45
Total	2.32	41.74	123.52

	Amount Rs. in crores		
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Note 26: Other income			
Interest On Income tax Refund	5.96	0.44	0.67
Miscellaneous Income	4.45	0.04	-
Sundry credit balances written back	1.55	0.01	0.02
Provision for compensated absences written back ^(Refer Note 38)	0.18	0.01	-
Gain on modification of lease ^(Refer Note 42)	0.64	0.31	-
Profit on sale of fixed assets	0.54	-	-
Provision for diminution on value of investment no longer required	0.21	-	-
Total	13.53	0.81	0.69

	Amount Rs. in crores		
	Year ended March 31, 2021 On financial assets measured at Amortised cost	Year ended March 31, 2020 On financial assets measured at Amortised cost	Year ended March 31, 2019 On financial assets measured at Amortised cost
Note 27: Finance costs			
(a) Interest on:			
Debt securities	212.67	253.11	267.05
Borrowings (other than debt)	746.13	862.44	506.87
Subordinated liabilities	31.31	31.29	29.95
(b) Processing and other Fee	6.34	9.12	18.35
(c) Bank charges	0.29	1.07	0.56
(d) Interest on lease liability ^(Refer Note 42)	0.38	1.15	-
(e) Other interest expenses	0.17	-	4.02
Total	997.29	1,158.18	826.80



	Year ended March 31, 2021	Year ended March 31, 2020	Amount Rs. in crores Year ended March 31, 2019
Note 28: Net loss/(gain) on fair value changes			
Net (profit)/loss on financial instruments at fair value through profit or loss			
(i) On trading portfolio			
- Derivatives	-	(0.67)	(29.43)
(ii) On financial instruments designated at fair value through profit or loss	15.12	(79.86)	(40.97)
Total net gain/(loss) on fair value changes	15.12	(80.53)	(70.40)
Fair Value changes:			
-Realised	12.71	(15.81)	(67.65)
-Unrealised	2.41	(64.72)	(2.75)
Total net loss/(gain) on fair value changes	15.12	(80.53)	(70.40)

	Year ended March 31, 2021	Year ended March 31, 2020	Amount Rs. in crores Year ended March 31, 2019
Note 29: Impairment on financial instruments			
Provision for impairment due to expected credit loss / bad debts Written Off (net of recoveries) ⁽¹⁾ (Refer Note 27)	426.88	952.92	364.41
Total	426.88	952.92	364.41

(1) Provision for impairment due to expected credit loss / bad debts written off (net of recoveries) includes:			Amount Rs. in crores
Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Provision for impairment due to expected credit loss	516.97	176.29	253.62
Bad debt/advances written off/(recovered)*	(92.09)	776.63	110.79
Total	426.88	952.92	364.41

*Net of Bad Debt /advances written off of Rs. 32.47 crore (Previous year: net of bad debt recovery Rs. 45.69 crore).

	Year ended March 31, 2021	Year ended March 31, 2020	Amount Rs. in crores Year ended March 31, 2019
Note 30: Employee benefits expenses			
Salaries and wages	16.97	23.81	28.77
Provision for gratuity, compensated absences ^(Refer Note 28)	0.59	0.84	0.85
Contribution to provident and other funds	0.37	0.54	0.47
Share based payments to employees	2.66	2.38	2.03
Staff welfare expenses	0.01	0.65	0.65
Total	20.60	27.62	32.17



	Year ended March 31, 2021	Year ended March 31, 2020	Amount Rs. in crores Year ended March 31, 2019
Note 31: Other expenses			
Rent and other charges ^(Refer Note 42)	0.13	0.16	4.58
Rates and taxes	0.45	0.49	0.55
Repairs and maintenance	0.31	1.37	1.55
Stamp Duty	0.16	1.17	1.70
Communication Cost	0.03	0.11	0.15
Electricity and water	0.07	0.32	0.43
Printing and stationery	0.04	0.05	0.13
Advertisement and publicity	0.25	1.51	0.09
Commission & brokerage	5.89	-	-
Loss on Sale of Fixed Assets	-	0.33	-
Provision for diminution on value of investment	-	2.12	-
Auditor's remuneration for statutory audit	0.13	0.13	0.13
Legal and Professional charges	1.62	1.04	0.33
Service Charges	0.06	0.08	0.11
Expenditure on corporate social responsibility ⁽¹⁾	6.10	7.15	4.01
Travelling and Conveyance	0.13	0.30	0.38
Depository Charges	0.02	0.02	0.11
Collection Charges	-	0.01	-
Recruitment Expenses	-	0.01	0.02
Membership Fee	0.29	0.05	0.13
Miscellaneous Expenses	0.04	0.02	0.06
Total	15.72	16.44	14.48

(1) In respect of Corporate social responsibility activities, during the year ended March 31, 2021, the Company was required to spend gross amount of Rs. 6.10 crore (Previous year Rs. 7.15 crore) and Company has paid/spent Rs. 6.10 crore (Previous year Rs. 7.15 crore) in respect of the such activities.

Note 32 : Tax Expenses

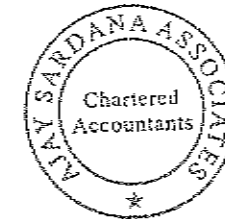
The major components of income tax expense for the years ended March 31, 2021, March 31, 2020 and March 31, 2019 are :			
	Year ended March 31, 2021	Year ended March 31, 2020	Amount Rs. in crores Year ended March 31, 2019
Current income tax:			
Current income tax charge	56.09	41.62	110.71
Deferred tax:			
Relating to origination and reversal of temporary differences	(42.34)	(34.18)	13.57
Income tax expense reported in the statement of profit or loss	13.75	7.44	124.28



Note 32 : Tax Expenses (continued...)

Particulars	Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2021, March 31, 2020 and March 31, 2019:		
	Year ended March 31, 2021	Year ended March 31, 2020	Amount Rs. in crores Year ended March 31, 2019
Accounting profit for the year (before income tax)	₹52.79	27.25	447.28
India's statutory income tax rate	25.166%	25.168%	34.944%
Computed expected tax expense	38.45	6.86	156.3
Tax effect of amounts to reconcile expected income tax expense to reported income tax expense:			
Tax on Expenses / deductions allowed/disallowed in Income tax Act, 1961	3.89	1.80	1.41
Disallowance under section 14A of the Income Tax Act 1961	-	0.52	0.42
Deduction under section 36(i)(viii) of the Income Tax Act 1961	(12.97)	-	(15.29)
Net disallowance under section 36(i)(viii) of the Income Tax Act 1961	-	-	(1.17)
Tax Free Income	-	(11.63)	(35.30)
Capital Loss	(9.33)	(4.45)	15.95
Tax effect of expenditure/(income) not considered for tax provision (net)	(6.29)	15.97	1.96
Tax effect of revaluation of deferred tax due to change in Income tax rate	-	(1.63)	-
Income tax expense	13.75	7.44	124.28

During the year ended March 31, 2020, the Company had elected to exercise the option permitted under 115BAA of the Income Tax Act, 1961, as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company recognized provision for Income Tax for the quarter and year ended March 31, 2020 and re-measured its Deferred Tax asset/liability basis the effective applicable corporate tax rate of 25.168% as prescribed in the aforesaid section and recognized the effect of change by revising the annual effective income tax rate.



(i) Redeemable Non Convertible Debentures [payable at par unless otherwise stated] Secured unless otherwise stated) include:

Particulars	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
9.05% Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 07, 2023 ⁽¹⁾	39.79	39.72	39.65
10.75% Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on June 29, 2021 ⁽¹⁾	164.80	164.47	199.03
8.75% Redeemable Non convertible Debentures of Face value Rs. 1,000,000 each Redeemable on July 28, 2020 ⁽¹⁾	-	249.24	-
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2020 ⁽²⁾	-	0.11	0.10
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2020 ⁽²⁾	-	9.87	9.00
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021 ⁽²⁾	0.09	0.06	0.07
Redeemable (at premium) Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021 ⁽²⁾	23.57	21.52	19.54
6.80% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021 ⁽²⁾	899.03	896.00	893.46
6.90% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2021 ⁽²⁾	944.00	938.69	934.08
6.86% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023 ⁽²⁾	20.45	20.32	20.22
6.90% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023 ⁽²⁾	0.90	0.90	0.89
9.00% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2023 ⁽²⁾	74.17	73.70	73.36
6.75% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2026 ⁽²⁾	0.06	0.06	0.06
8.84% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2026 ⁽²⁾	12.03	11.94	11.91
9.10% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2026 ⁽²⁾	0.34	0.34	0.34
9.20% Redeemable Non convertible Debentures of Face value Rs. 1000 each Redeemable on September 25, 2026 ⁽²⁾	13.53	13.42	13.40
Total	2,192.77	2,440.38	2,215.22

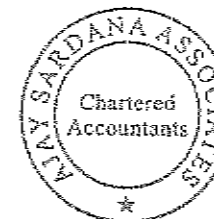
(1) Issued by way of private placement and listed on the Wholesale Debt Market Segment of the National Stock Exchange of India Limited and BSE Limited

(2) Issued in terms of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Companies Act, 2013 as amended and other applicable laws, by way of public issue, and listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

(ii) (a) Term Loans from banks /financial institutions as at March 31, 2021 includes⁽¹⁾:

Particulars	Amount Rs. in crores
Term Loan taken from Bank(s). These loans are repayable in Monthly instalment from the date of disbursement. The average balance tenure for these loans is 3 months from the Balance Sheet date.	60.08
Term Loans taken from financial institution. These loans are repayable in half yearly instalments. The average balance tenure for these loans is 37 months from the Balance Sheet date.	851.00
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 3 month from the date of disbursement. The balance tenure for this loan is 27 months from the Balance Sheet date.	256.67
Term Loan taken from Banks. These loans are repayable in quarterly instalments from the date of disbursement. The average balance tenure for these loans is 33 months from the Balance Sheet date.	215.35
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 3 years from the date of disbursement. The average balance tenure for these loans is 19 months from the Balance Sheet date.	879.92
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 2 years from the date of disbursement. The average balance tenure for these loans is 15 months from the Balance Sheet date.	1,265.91
Term Loan taken from Bank(s). These loans are repayable in quarterly instalment with moratorium period of 6 months from the date of disbursement. The average balance tenure for these loans is 72 months from the Balance Sheet date.	275.07
Total	3,806.00

(1) Linked to reference rate used by respective lenders



Notes to the Reformatted Standalone Ind AS financial information

Note - 33 (continued...)

(ii) (b) Term Loans from banks as at March 31, 2020 includes⁽¹⁾:

Particulars	Amount Rs. in crores
Term Loan taken from Bank(s). These loans are repayable in Monthly instalments from the date of disbursement. The average balance tenure for these loans is 18 months from the Balance Sheet date.	123.95
Term Loan taken from Bank. These loans are repayable in half yearly instalment with moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 3 months from the Balance Sheet date.	6.00
Term Loans taken from financial institution. These loans are repayable in half yearly instalments. The average balance tenure for these loans is 49 months from the Balance Sheet date.	1,545.50
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 1 year from the date of disbursement. The balance tenure for this loan is 6 months from the Balance Sheet date.	74.98
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 3 month from the date of disbursement. The balance tenure for this loan is 39 months from the Balance Sheet date.	373.63
Term Loan taken from Banks. These loans are repayable in quarterly instalments from the date of disbursement. The average balance tenure for these loans is 13 months from the Balance Sheet date.	64.79
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 3 years from the date of disbursement. The average balance tenure for these loans is 31 months from the Balance Sheet date.	979.87
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 2 years from the date of disbursement. The average balance tenure for these loans is 27 months from the Balance Sheet date.	1,866.48
Term Loan taken from Bank(s). These loans are repayable in quarterly instalment with moratorium period of 6 months from the date of disbursement. The average balance tenure for these loans is 84 months from the Balance Sheet date.	297.84
Total	5,333.07

(1) Linked to reference rate used by respective lenders

(ii) (b) Term Loans from banks as at March 31, 2019 includes⁽¹⁾:

Particulars	Amount Rs. in crores
Term Loans taken from Banks. These loans are repayable in bullet at the end of the tenure from the date of disbursement. The average balance tenure for these loans is 15 months from the Balance Sheet date.	54.83
Term Loan taken from Bank. This loan is repayable in half yearly instalments with moratorium period of 2 years from the date of disbursement. The balance tenure for this loan is 21 months from the Balance Sheet date.	99.99
Term Loans taken from financial institution. These loans are repayable in half yearly instalments. The average balance tenure for these loans is 61 months from the Balance Sheet date.	1,940.00
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 1 year from the date of disbursement. The balance tenure for this loan is 18 months from the Balance Sheet date.	224.95
Term Loan taken from Bank. This loan is repayable in quarterly instalments with moratorium period of 3 month from the date of disbursement. The balance tenure for this loan is 51 months from the Balance Sheet date.	438.59
Term Loan taken from Banks. These loans are repayable in quarterly instalments from the date of disbursement. The average balance tenure for these loans is 26 months from the Balance Sheet date.	89.71
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 3 years from the date of disbursement. The average balance tenure for these loans is 44 months from the Balance Sheet date.	979.82
Term Loan taken from Banks. These loans are repayable in yearly instalments with the moratorium period of 2 years from the date of disbursement. The average balance tenure for these loans is 36 months from the Balance Sheet date.	1,949.74
Total	5,827.63

(1) Linked to reference rate used by respective lenders



Note - 33 (continued...)

Particulars	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(iii) Subordinated debt (unsecured) (repayable at par)			
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 08, 2027	58.66	58.52	58.40
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on November 30, 2027	39.11	39.00	38.92
8.45% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on January 05, 2028	49.96	49.96	49.97
8.65% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	100.00	100.00	100.00
8.80% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on May 2, 2028	97.17	96.92	96.67
8.85% Subordinated Debt of Face value of Rs. 100,000 each Redeemable on March 28, 2028	4.50	4.46	-
Total	349.40	348.86	343.96

(iv) Changes in liabilities arising from financial activities includes negative movement on account of EIR adjustment for Rs. 11.46 crore (March 31, 2020: negative movement Rs. 24.50 crore, March 31, 2019: negative movement Rs. 45.23 crore).

(v) Disclosure of investing and financing activity that do not require cash and cash equivalent*:

Particulars	Amount Rs. in crores	
	Year ended March 31, 2021	Year ended March 31, 2020
Property, plant and equipment and intangible assets	(2.63)	(5.21)
Investments in subsidiaries and other long-term investments	(15.12)	80.53
Right-of-use assets	(1.71)	5.37
Equity share capital including securities premium	-	3.77
Borrowings**	7.33	177.53

* Includes non cash movements such as effective interest rate on borrowings and investment, fair value adjustment on investment etc.

** Represents debt securities, borrowings (other than debt securities) and subordinated liabilities.

Note - 34

Contingent Liability and Commitments :

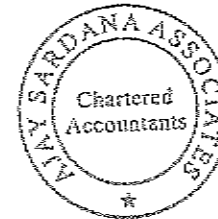
i) Contingent liabilities not provided for in respect of:

(a) The Company had issued a bank guarantee Rs. 17.00 crore (2019-20 : Rs. 17.00 crore, 2018-19 : Rs. 17.00 crore) in favour of the BSE Ltd, in addition to security deposit of Rs. 3.00 crore, towards 1% of the amount raised via public issue of non-convertible debentures i.e. Rs. 2,000 crore, which were listed on BSE Ltd., during the year ended March 31, 2019. During the year ended March 31, 2021, BSE Ltd. has released the said bank guarantee of Rs. 17.00 crore and refunded the security deposit of Rs. 3.00 crore in full to the Company.

(b) The Company in the ordinary course of business, has various cases pending in different courts, however, the management does not expect any unfavourable outcome resulting in material adverse effect on the financial position of the Company.

ii) Capital commitments not provided for:

(a) Capital commitments (net of capital advances Rs. 0.01 crore (2019-20 : Rs. 0.02 crore, 2018-19 : Rs. 0.18 crore) on account of contracts remaining to be executed and not provided for, are estimated at Rs. 0.01 crore (2019-20 : Rs. 0.02 crore, 2018-19 : Rs. 0.18 crore) .



Note - 35

Employees Stock Options Plans (ESOS / ESOP Schemes) of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"):

(i) Grants During the Year:

The Compensation Committee constituted by the Board of Directors of the Holding Company has, at its meeting held on October 4, 2020, granted, 12,500,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 200, which is at a premium of approx. 28% on the latest available closing market price on the National Stock Exchange of India Limited, as on October 1, 2020. These options vest with effect from the first vesting date i.e. October 4, 2021, and thereafter on each vesting date as per the vesting schedule provided in the Scheme.

Employee Stock Benefit Scheme 2019 ("Scheme").

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of INDIABULLS HOUSING FINANCE LIMITED at its meeting held on November 6, 2019, and (b) a special resolution of the shareholders of the Company passed through postal ballot on December 23, 2019, result of which were declared on December 24, 2019.

This Scheme comprises:

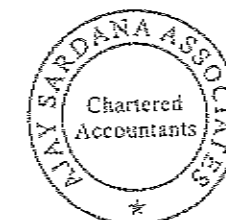
- a. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Option Plan 2019 ("ESOP Plan 2019")
- b. INDIABULLS HOUSING FINANCE LIMITED Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
- c. INDIABULLS HOUSING FINANCE LIMITED Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

In accordance with the ESOP Regulations, the Holding Company had set up Indiabulls Housing Finance Limited Employee Welfare Trust (Trust) for the purpose of implementation of ESOP Scheme. The Scheme is administered through ESOP Trust, whereby shares held by the ESOP Trust are transferred to the employees, upon exercise of stock options as per the terms of the Scheme.

(iii) The other disclosures in respect of the ESOS / ESOP Schemes are as under:-

Particulars	IHFL-IHFSL Employees Stock Option Plan II - 2008	IHFL-IHFSL Employees Stock Option - 2008	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013
Total Options under the Scheme	7,20,000	75,00,000	3,90,00,000	3,90,00,000	3,90,00,000	3,90,00,000
Total Options issued under the Scheme	7,20,000	75,00,000	1,05,00,000	1,05,00,000	1,25,00,000	1,00,00,000
Vesting Period and Percentage	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year	Three years, 33.33% each year	Five years, 20% each year
First vesting Date	1st November, 2008	8th December, 2009	12th October, 2015	12th August, 2018	5th October, 2021	10th March, 2020
Revised Vesting Period & Percentage	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise Price (Rs.)	100.00	95.95	394.75	1,156.50	200.00	702.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	1,152	15,964	37,89,756	77,24,000	1,25,00,000	68,82,400
Grant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Grant Date	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Options vested during the year (Nos.)	-	-	-	-	-	-
Exercised during the year (Nos.)	-	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-
Lapsed during the year	-	267	93,000	22,70,900	4,12,642	19,96,600
Re-granted during the year	-	-	-	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	1,152	15,597	36,96,756	54,53,100	1,20,87,358	48,85,800
Exercisable at the end of the year (Nos.)	1,152	15,597	36,96,756	18,77,700	-	-
Remaining contractual Life (Weighted Months)	7	27	34	58	78	83

N.A - Not Applicable

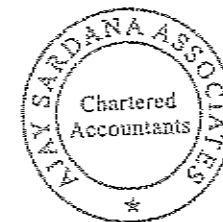


Particulars	IHFL-IBFSL Employees Stock Option - 2008 -Regrant	IHFL-IBFSL Employees Stock Option - 2008- Regrant	IHFL-IBFSL Employees Stock Option Plan - 2006 - Regrant	IHFL-IBFSL Employees Stock Option - 2008 - Regrant	IHFL-IBFSL Employees Stock Option Plan II - 2006 -Regrant
Total Options under the Scheme	N.A.	N.A.	N.A.	N.A.	N.A.
Total Options issued under the Scheme	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.	N.A.
First Vesting Date	31st December, 2010	16th July, 2011	27th August, 2010	11th January, 2012	27th August, 2010
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	125.90	158.50	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	10,890	38,880	39,500	3,000	21,900
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	-	19,440	-	1,500	-
Exercised during the year (Nos.)	-	-	-	-	-
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	-	-	-	-	-
Re-granted during the year	N.A.	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	10,890	38,880	39,500	3,000	21,900
Exercisable at the end of the year (Nos.)	10,890	38,880	39,500	3,000	21,900
Remaining contractual Life (Weighted Months)	38	45	41	51	41

N.A - Not Applicable

(iv) The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	IHFL - IBFSL Employees Stock Option - 2008 Regrant	IHFL - IBFSL Employees Stock Option - 2008 Regrant	IHFL - IBFSL Employees Stock Option - 2006- Regrant	IHFL - IBFSL Employees Stock Option Plan II - 2008- Regrant	IHFL - IBFSL Employees Stock Option - 2008 Regrant
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	9.60 Years	9.80 Years	9.67 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.15%	2.89%	4.69%	4.50%	2.98%
Weighted Average Fair Value (Rs.)	83.46	96.24	106.3	108.06	84.93
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%



Particulars	IHFL - IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013 (Grant 1)	IHFL ESOS - 2013 (Grant 2)	IHFL ESOS - 2013 (Grant 3)	IHFL ESOS - 2013 (Grant 4)
Exercise price (Rs.)	95.95	394.75	1,156.50	1,200.40	702.00
Expected volatility*	97.00%	46.30%	27.50%	27.70%	33.90%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	11 Years	5 Years	3 Years	3 Years	3 Years
Expected Dividends yield	4.62%	10.00%	5.28%	5.06%	7.65%
Weighted Average Fair Value (Rs.)	52.02	89.76	200.42	226.22	126.98
Risk Free Interest rate	6.50%	8.57%	6.51%	7.56%	7.37%

*The expected volatility was determined based on historical volatility data.

Particulars	IHFL - IBFSL Employees Stock Option – 2013
Exercise price (Rs.)	200.00
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	2 Years
Expected Dividends yield	0.00%
Weighted Average Fair Value (Rs.)	27.4
Risk Free Interest rate	5.92%

*The expected volatility was determined based on historical volatility data.

(b) The Holding Company has established the "Pragati Employee Welfare Trust" ("Pragati – EWT") (earlier known as Indiabulls Housing Finance Limited - Employees Welfare Trust) (IBH – EWT) ("Trust") for the implementation and management of its employees benefit scheme viz. the "Indiabulls Housing Finance Limited - Employee Stock Benefit Scheme – 2019" (Scheme), for the benefit of the employees of the Holding Company and its subsidiaries.

Pursuant to Regulation 3(12) of the SEBI (Share Based Employee Benefits) Regulations, 2014, the shares in Trust have been appropriated towards the Scheme for grant of Share Appreciation Rights (SARs) to the employees of the Holding Company and its subsidiaries as permitted by SEBI. The company will treat these SARs as equity and therefore they will be treated as equity settled SARs and accounting has been done accordingly. The other disclosures in respect of the SARs are as under:

Particulars	IHFL ESOS - 2019
Total Options under the Scheme	1,70,00,000
Total Options issued under the Scheme	1,70,00,000
Vesting Period and Percentage	Three years, 33.33% each year
First Vesting Date	10th October, 2021
Exercise Price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Exercisable Period	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	1,70,00,000
Regrant Addition	N.A
Regrant Date	N.A
Options vested during the year (Nos.)	-
Exercised during the year (Nos.)	-
Expired during the year (Nos.)	-
Cancelled during the year	-
Lapsed during the year	-
Re-granted during the year	-
Outstanding at the end of the year (Nos.)	1,70,00,000
Exercisable at the end of the year (Nos.)	-
Remaining contractual life (Weighted Months)	78



The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	IHFL ESOS - 2019
Exercise price (Rs.)	Rs. 225 First Year, Rs. 275 Second Year, Rs. 300 Third Year
Expected volatility*	39.95%
Expected forfeiture percentage on each vesting date	Nil
Option Life (Weighted Average)	1 Year for 1st Vesting, 2 years for 2nd Vesting and 3 years for 3rd Vesting.
Expected Dividends yield	0.00%
Weighted Average Fair Value (Rs.)	9.25 for First Year, 13.20 for Second Year and 19.40 for third year
Risk Free Interest rate	5.92%

*The expected volatility was determined based on historical volatility data.

(v) 26,253,933 Equity Shares of Rs. 2 each (Previous Year : 18,527,342) are reserved for issuance towards Employees Stock options as granted.

(vi) The weighted average share price at the date of exercise of these options was N.A per share(Previous Year Rs. 602.59 per share).

Employees Stock Options Plans (ESOS / ESOP Schemes) of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"): FY-2019-20

(i) Grants During the Year:

There has been no new grants of Esops during the current financial year(Previous year 10,000,000 Esops)

(ii) Employee Stock Benefit Scheme 2019 ("Scheme").

The Scheme has been adopted and approved pursuant to: (a) a resolution of the Board of Directors of INDIABULLS HOUSING FINANCE LIMITED at its meeting held on November 6, 2019; and (b) a special resolution of the shareholders' of the Company passed through postal ballot on December 23, 2019, result of which were declared on December 24, 2019.

This Scheme comprises:

- INDIABULLS HOUSING FINANCE LIMITED Employees Stock Option Plan 2019 ("ESOP Plan 2019")
- INDIABULLS HOUSING FINANCE LIMITED Employees Stock Purchase Plan 2019 ("ESP Plan 2019")
- INDIABULLS HOUSING FINANCE LIMITED Stock Appreciation Rights Plan 2019 ("SARs Plan 2019")

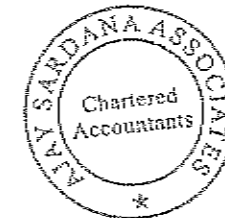
In accordance with the ESOP Regulations, Indiabulls Housing Finance Limited had set up Indiabulls Housing Finance Limited Employee Welfare Trust (Trust) for the purpose of implementation of ESOP Scheme. The Scheme is administered through ESOP Trust, whereby shares held by the ESOP Trust are transferred to the employees, upon exercise of stock options as per the terms of the Scheme



(iii) The other disclosures in respect of the ESOS / ESOP Schemes are as under:-

Particulars	IHFL-IBFSL Employees Stock Option Plan II – 2006	IHFL-IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013
Total Options under the Scheme	7,20,000	75,00,000	3,90,00,000	3,90,00,000	3,90,00,000	3,90,00,000
Total Options issued under the Scheme	7,20,000	75,00,000	1,05,00,000	1,05,00,000	1,00,000	1,00,00,000
Vesting Period and Percentage	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
First Vesting Date	1st November, 2009	8th December, 2009	12th October, 2015	12th August, 2016	25th March, 2019	10th March, 2020
Revised Vesting Period & Percentage	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise Price (Rs.)	100.00	95.95	394.75	1,156.50	1,200.40	702.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	1,152	70,676	40,25,556	1,03,36,500	0	1,00,00,000
Grant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Grant Date	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Options vested during the year (Nos.)	-	-	20,04,000	-	-	-
Exercised during the year (Nos.)	-	54,812	1,11,800	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-
Lapsed during the year	-	0	1,24,000	26,12,500	-	31,17,600
Re-granted during the year	-	-	-	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	1,152	15,864	37,89,756	77,24,000	-	58,82,400
Exercisable at the end of the year (Nos.)	1,152	15,864	37,89,756	19,31,000	-	-
Remaining contractual Life (Weighted Months)	19	39	46	67	N.A.	69

N.A - Not Applicable



Particulars	IHFL-IBFSL Employees Stock Option – 2008-Regrant	IHFL-IBFSL Employees Stock Option – 2008-Regrant	IHFL-IBFSL Employees Stock Option Plan – 2006- Regrant	IHFL-IBFSL Employees Stock Option – 2008- Regrant	IHFL-IBFSL Employees Stock Option Plan II – 2006-Regrant
Total Options under the Scheme	N.A.	N.A.	N.A.	N.A.	N.A.
Total Options issued under the Scheme	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.	N.A.
First Vesting Date	31st December, 2010	16th July, 2011	27th August, 2010	11th January, 2012	27th August, 2010
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	125.90	158.50	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	15,030	38,880	39,500	3,000	21,900
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	6,390	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	4,140	-	-	-	-
forward	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	-	-	-	-	-
Re-granted during the year	N.A.	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	10,890	38,880	39,500	3,000	21,900
Exercisable at the end of the year (Nos.)	10,890	19,440	39,500.00	1,500	21,900.00
Remaining contractual Life (Weighted Months)	50	57	53	63	53

N.A - Not Applicable

(iv) The details of the Fair value of the options as determined by an independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant	IHFL - IBFSL Employees Stock Option – 2006- Regrant	IHFL - IBFSL Employees Stock Option Plan II – 2006- Regrant	IHFL - IBFSL Employees Stock Option – 2008 Regrant
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65
Expected volatility	99.64%	99.60%	75.57%	75.57%	99.60%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.80 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.19%	2.89%	4.69%	4.50%	2.96%
Weighted Average Fair Value (Rs.)	83.48	90.24	106.3	108.06	84.93
Risk Free interest rate	7.59%	7.63%	7.50%	7.50%	7.63%



Note - 35 (continued...)

Particulars	IHFL - IBFSL Employees Stock Option – 2008	IHFL ESOS - 2013 (Grant 1)	IHFL ESOS - 2013 (Grant 2)	IHFL ESOS - 2013 (Grant 3)	IHFL ESOS - 2013 (Grant 4)
Exercise price (Rs.)	95.95	394.75	1,156.50	1,200.40	702.00
Expected volatility*	97.00%	46.30%	27.50%	27.70%	33.90%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	11 Years	5 Years	3 Years	3 Years	3 Years
Expected Dividends yield	4.62%	10.50%	5.28%	5.08%	7.65%
Weighted Average Fair Value (Rs.)	52.02	89.76	200.42	226.22	126.96
Risk Free Interest rate	6.50%	8.57%	6.51%	7.56%	7.37%

*The expected volatility was determined based on historical volatility data.

(v) 18,527,342 Equity Shares of Rs. 2 each (Previous Year : 24,552,194) of the Holding Company are reserved for issuance towards Employees Stock options as granted.

(vi) The weighted average share price at the date of exercise of these options was Rs 682.59 per share (Previous year Rs. 782.49 per share).

Employees Stock Options Plans of Indiabulls Housing Finance Limited ("the Holding Company" "IHFL"): FY - 2018-19

(i) Grants During the Year:

The Compensation Committee constituted by the Board of Directors of the Holding Company has, at its meeting held on March 09, 2019, granted, 10,000,000 Stock Options representing an equal number of equity shares of face value of Rs. 2 each at an exercise price of Rs. 702, being the then latest available closing market price on the National Stock Exchange of India Ltd. as on March 8, 2019. These options vest with effect from the first vesting date i.e. March 10, 2020, and thereafter on each vesting date as per the vesting schedule provided in the Scheme.

The other disclosures in respect of the ESOS / ESOP Schemes are as under:-

Particulars	IHFL-IBFSL Employees Stock Option Plan II – 2006	IHFL-IBFSL Employees Stock Option – 2009	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013	IHFL ESOS - 2013
Total Options under the Scheme	7,20,000	75,00,000	3,90,00,000	3,90,00,000	3,90,00,000	3,90,00,000
Total Options issued under the Scheme	7,20,000	75,00,000	1,05,00,000	1,05,00,000	1,00,000	1,00,00,000
Vesting Period and Percentage	Four years, 25% each year	Ten years, 15% First year, 10% for next eight years and 5% in last year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year	Five years, 20% each year
First Vesting Date	1st November, 2008	8th December, 2009	12th October, 2015	12th August, 2018	25th March, 2019	10th March, 2020
Revised Vesting Period & Percentage	Nine years, 11% each year for 8 years and 12% during the 9th year	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise Price (Rs.)	100.00	95.95	394.75	1,156.50	1,200.40	702.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year (Nos.)	1,152	3,40,124	45,48,381	1,05,00,000	1,00,000	1,00,00,000
Grant Addition	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Grant Date	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Options vested during the year (Nos.)	-	2,05,661	20,25,400	21,00,000	-	-
Exercised during the year (Nos.)	-	2,68,848	5,15,825	-	-	-
Expired during the year (Nos.)	-	-	-	-	-	-
Cancelled during the year	-	-	-	-	-	-
Lapsed during the year	-	600	7,000	1,63,500	1,00,000	-
Re-granted during the year	-	-	-	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	1,152	70,576	40,25,556	1,03,36,500	-	1,00,00,000
Exercisable at the end of the year (Nos.)	1,152	70,576	20,07,156	20,67,300	-	-
Remaining contractual Life (Weighted Months)	31	52	58	76	N.A.	95

N.A - Not Applicable



Note - 35 (continued...)

Particulars	IHFL-IBFSL Employees Stock Option - 2008 -Regrant	IHFL-IBFSL Employees Stock Option - 2008- Regrant	IHFL-IBFSL Employees Stock Option Plan - 2006 - Regrant	IHFL-IBFSL Employees Stock Option - 2008 - Regrant	IHFL-IBFSL Employees Stock Option Plan II - 2006 -Regrant
Total Options under the Scheme	N.A.	N.A.	N.A.	N.A.	N.A.
Total Options issued under the Scheme	N.A.	N.A.	N.A.	N.A.	N.A.
Vesting Period and Percentage	N.A.	N.A.	N.A.	N.A.	N.A.
First Vesting Date	31st December, 2010	16th July, 2011	27th August, 2010	11th January, 2012	27th August, 2010
Revised Vesting Period & Percentage	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year	Ten years, 10% for every year
Exercise Price (Rs.)	125.90	158.50	95.95	153.65	100.00
Exercisable Period	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date	5 years from each vesting date
Outstanding at the beginning of the year(Nos.)	15,570	58,320	79,000	4,500	43,800
Regrant Addition	N.A.	N.A.	N.A.	N.A.	N.A.
Regrant Date	December 31, 2009	July 16, 2010	August 27, 2009	January 11, 2011	August 27, 2009
Options vested during the year (Nos.)	6,390	19,440	39,500	1,500	21,900
Exercised during the year (Nos.)	540	19,440	39,500	1,500	21,900
Expired during the year (Nos.)	-	-	-	-	-
Cancelled during the year	-	-	-	-	-
Lapsed during the year	-	-	-	-	-
Re-granted during the year	N.A.	N.A.	N.A.	N.A.	N.A.
Outstanding at the end of the year (Nos.)	15,030	38,880	39,500	3,000	21,900
Exercisable at the end of the year (Nos.)	8,640	-	-	-	-
Remaining contractual Life (Weighted Months)	60	69	65	75	65

N.A - Not Applicable

The details of the Fair value of the options as determined by an Independent firm of Chartered Accountants, for the respective plans using the Black-Scholes Merton Option Pricing Model:-

Particulars	IHFL - IBFSL Employees Stock Option - 2008 Regrant	IHFL - IBFSL Employees Stock Option - 2008 Regrant	IHFL - IBFSL Employees Stock Option - 2006- Regrant	IHFL - IBFSL Employees Stock Option Plan II - 2006- Regrant	IHFL - IBFSL Employees Stock Option - 2008 Regrant
Exercise price (Rs.)	125.90	158.50	95.95	100.00	153.65
Expected volatility*	99.61%	99.60%	75.57%	75.57%	99.60%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	9.80 Years	9.80 Years	9.60 Years	9.80 Years	9.80 Years
Expected Dividends yield	3.79%	2.89%	4.69%	4.50%	2.98%
Weighted Average Fair Value (Rs.)	83.48	80.24	106.3	108.06	84.93
Risk Free Interest rate	7.59%	7.63%	7.50%	7.50%	7.63%



Note - 35 (continued...)

Particulars	IHFL - IBFSL Employees Stock Option - 2008	IHFL ESOS - 2013 (Grant 1)	IHFL ESOS - 2013 (Grant 2)	IHFL ESOS - 2013 (Grant 3)	IHFL ESOS - 2013 (Grant 4)
Exercise price (Rs.)	95.95	394.75	1,156.50	1,200.40	702.00
Expected volatility*	97.00%	46.30%	27.50%	27.70%	33.90%
Expected forfeiture percentage on each vesting date	Nil	Nil	Nil	Nil	Nil
Option Life (Weighted Average)	11 Years	5 Years	3 Years	3 Years	3 Years
Expected Dividends yield	4.62%	10.00%	5.28%	5.08%	7.65%
Weighted Average Fair Value (Rs.)	52.02	69.76	200.42	226.22	126.96
Risk Free interest rate	6.50%	8.57%	6.51%	7.56%	7.37%

Note - 36

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

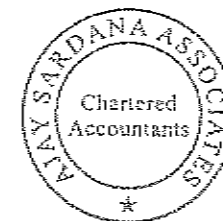
Particulars	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note - 37

Segment Reporting:

The Chief Operating Decision Maker ("CODM") reviews operations and allocates resources at the Company level. Therefore, the operations of the Company fall under its main business of financing by way of loans against property (LAP), mortgage backed SME loans, and certain other purposes in India, which is considered to be the only reportable segment in accordance with IND-AS 108 - Operating Segments. All other activities of the Company revolve around the main business.



Note - 38

Employee Benefits

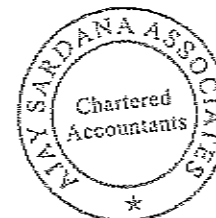
Employee Benefits – Provident Fund, Employee State Insurance (ESIC), Gratuity and Compensated Absences disclosures as per Indian Accounting Standard (IndAS) 19 – Employee Benefits:

Contributions are made to Government Provident Fund and Family Pension Fund, ESIC and other statutory funds which cover all eligible employees under applicable Acts. Both the employees and the Company make predetermined contributions to the Provident Fund and ESIC. The contributions are normally based on a certain proportion of the employee's salary. The Company has recognised an amount of Rs. 0.54 crores (Previous year Rs. 0.47 crores) in the Statement of Profit and Loss towards Employers contribution for the above mentioned funds.

Provision for unfunded Gratuity and Compensated Absences for all employees is based upon actuarial valuations carried out at the end of every financial year. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. Pursuant to the issuance of the Indian Accounting Standard (IndAS) 19 on 'Employee Benefits', commitments are actuarially determined using the 'Projected Unit Credit' Method. Gains and losses on changes in actuarial assumptions are accounted for in the Statement of Profit and Loss.

Disclosures in respect of Gratuity and Compensated Absences:

Particulars	Amount Rs. in crores					
	Gratuity (unfunded) March 31, 2021	Gratuity (unfunded) March 31, 2020	Gratuity (unfunded) March 31, 2019	Compensated absences (unfunded) March 31, 2021	Compensated absences (unfunded) March 31, 2020	Compensated absences (unfunded) March 31, 2019
Reconciliation of liability recognized in the Balance Sheet:						
Present value of commitments (as per actuarial valuation)	3.67	4.32	4.07	1.16	1.35	1.36
Fair value of plans	-	-	-	-	-	-
Net liability in the Balance Sheet (Actual)	3.67	4.32	4.07	1.16	1.35	1.36
Movement in net liability recognized in the Balance Sheet:						
Net liability as at beginning of the year	4.32	4.07	3.52	1.35	1.36	1.32
Net expense/(gain) recognized in the Statement of Profit and Loss	0.59	0.84	0.62	(0.19)	(0.01)	0.04
Benefits paid during the year	(0.86)	(0.66)	(0.17)	-	-	-
Actuarial changes arising from changes in financial assumptions	(0.48)	0.53	0.09	-	-	-
Actuarial changes arising from changes in Demographic assumptions	-	0.00	-	-	-	-
Experience adjustments	0.10	(0.46)	(0.19)	-	-	-
Net liability as at end of the year	3.67	4.32	4.07	1.16	1.35	1.36
Expense recognized in the Statement of Profit and Loss						
Current service cost	0.35	0.53	0.53	0.11	0.18	0.21
Past service cost	-	-	-	-	-	-
Interest cost	0.24	0.31	0.29	0.07	0.10	0.10
Expected return on plan assets	-	-	-	-	-	-
Actuarial (gains)/ losses	-	-	-	(0.37)	(0.29)	(0.27)
Expense/(Income) charged to the Statement of Profit and Loss	0.59	0.84	0.62	(0.19)	(0.01)	0.04
Return on plan assets:						
Expected return on plan assets	-	-	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-	-	-
Actual return on plan assets	-	-	-	-	-	-



Note - 38 (continued...)

Particulars	Amount Rs. in crores					
	Gratuity (unfunded) March 31, 2021	Gratuity (unfunded) March 31, 2020	Gratuity (unfunded) March 31, 2019	Compensated absences (unfunded) March 31, 2021	Compensated absences (unfunded) March 31, 2020	Compensated absences (unfunded) March 31, 2019
Reconciliation of defined-benefit commitments:						
As at beginning of the year	4.32	4.07	(0.17)	1.35	1.36	-
Current service cost	0.35	0.53	0.29	0.11	0.18	0.10
Past service cost	-	-	-	-	-	-
Interest cost	0.24	0.31	-	0.07	0.10	(0.27)
Benefits paid during the year	(0.86)	(0.66)	-	-	-	-
Actuarial (gains)/ losses	-	-	-	(0.37)	(0.29)	-
Actuarial changes arising from changes in financial assumptions	(0.48)	0.53	(0.19)	-	-	-
Actuarial changes arising from changes in Demographic assumptions	-	0.00	4.07	-	-	1.36
Experience adjustments	0.10	(0.46)	-	-	-	-
Commitments as at end of the year	3.67	4.32	4.00	1.16	1.35	1.19
Reconciliation of plan assets:						
Plan assets as at beginning of the year	-	-	-	-	-	-
Expected return on plan assets	-	-	-	-	-	-
Contributions during the year	-	-	-	-	-	-
Paid benefits	-	-	-	-	-	-
Actuarial (gains)/ losses	-	-	-	-	-	-
Plan assets as at end of the year	-	-	-	-	-	-

The actuarial calculations used to estimate commitments and expenses in respect of Gratuity and Compensated Absences are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	Gratuity (Unfunded)			Compensated Absences (Unfunded)		
	2020-2021	2019-2020	2018-2019	2020-2021	2019-2020	2018-2019
Discount rate – gratuity and compensated absences	5.79%	6.80%	7.65%	6.79%	6.80%	7.65%
Expected return on plan assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Expected rate of salary increase	5.00%	6.00%	6.00%	5.00%	6.00%	6.00%
Mortality table	IALM (2012-14)	IALM (2006-08)	IALM (2006-08)	IALM (2012-14)	IALM (2006-08)	IALM (2006-08)

N.A.: Not Applicable

The employer best estimate of contributions expected to be paid during the annual period beginning after the Balance Sheet date, towards Gratuity and Compensated Absences is Rs. 0.63 crore (2019-20 Rs. 0.84 crore, 2018-19 Rs. 0.92 crore) and Rs 0.21 crore (2019-20 Rs. 0.26 crore, 2018-19 Rs. 0.33 crore) respectively.

Gratuity

Assumptions	March 31, 2021		March 31, 2020		March 31, 2019	
	Discount rate					
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation (Rs. in crores)	(0.23)	0.25	(0.30)	0.33	(0.29)	0.32
Assumptions	March 31, 2021		March 31, 2020		March 31, 2019	
	Future salary increases					
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation (Rs. in crores)	0.26	(0.24)	0.33	(0.31)	0.32	(0.29)



Note - 38 (continued...)

Compensated absences

Assumptions	March 31, 2021		March 31, 2020		March 31, 2019	
	Discount rate					
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation (Rs. in crores)	(0.07)	0.07	(0.10)	0.11	(0.10)	0.11

Assumptions	March 31, 2021		March 31, 2020		March 31, 2019	
	Future salary increases					
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
Impact on defined benefit obligation (Rs. in crores)	0.08	(0.07)	0.11	(0.10)	0.11	(0.10)

The following payments are expected contributions to the defined benefit plan in future years:

Expected payment for future years	Gratuity		Compensated absences			
	March 31, 2021	March 31, 2020	March 31, 2019	March 31, 2021	March 31, 2020	March 31, 2019
Within the next 12 months (next annual)	0.10	0.13	0.13	0.03	0.04	0.05
Between 1 and 2 years	0.07	0.09	0.08	0.02	0.03	0.03
Between 2 and 5 years	0.36	0.24	0.22	0.21	0.07	0.08
Between 5 and 6 years	0.12	0.08	0.09	0.03	0.02	0.02
Beyond 6 years	3.01	3.79	3.56	0.87	1.19	1.18
Total expected payments	3.66	4.32	4.07	1.16	1.35	1.36

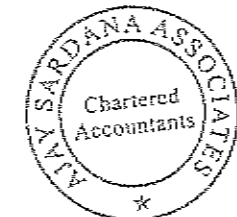
The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which the Code becomes effective and the related rules to determine the financial impact are published.

Note - 39

Disclosures in respect of IND AS - 24 'Related Party Disclosures':

The Company's principal related parties consist of its holding company, Indiabulls Housing Finance Limited and its subsidiaries, affiliates and key managerial personnel. The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enter into transactions in the ordinary course of business.

(a) Details of related parties:	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019	
Description of relationship	Names of related parties			
(i) Where control exists				
Holding company	Indiabulls Housing Finance Limited	Indiabulls Housing Finance Limited	Indiabulls Housing Finance Limited	
	Indiabulls Asset Management Mauritius	Indiabulls Asset Management Mauritius	Indiabulls Asset Management Mauritius	
Subsidiary company	ICCL Lender Repayment Trust	ICCL Lender Repayment Trust	ICCL Lender Repayment Trust (w.e.f. April 02, 2018)	
Fellow subsidiary companies (including step down subsidiaries)	Indiabulls Advisory Services Limited	Indiabulls Advisory Services Limited	Indiabulls Advisory Services Limited	
	Indiabulls Capital Services Limited	Indiabulls Capital Services Limited	Indiabulls Capital Services Limited	
	Indiabulls Insurance Advisors Limited	Indiabulls Insurance Advisors Limited	Indiabulls Insurance Advisors Limited	
	Nilgiri Financial Consultants Limited	Nilgiri Financial Consultants Limited	Nilgiri Financial Consultants Limited	
	(Subsidiary of Indiabulls Insurance Advisors Limited)	(Subsidiary of Indiabulls Insurance Advisors Limited)	(Subsidiary of Indiabulls Insurance Advisors Limited)	
	Indiabulls Asset Holding Company Limited	Indiabulls Asset Holding Company Limited	Indiabulls Asset Holding Company Limited	
	Indiabulls Collection Agency Limited	Indiabulls Collection Agency Limited	Indiabulls Collection Agency Limited	
	Indiabulls Asset Management Company Limited	Indiabulls Asset Management Company Limited	Indiabulls Asset Management Company Limited	
	Indiabulls Trustee Company Limited	Indiabulls Trustee Company Limited	Indiabulls Trustee Company Limited	
	Ibulls Sales Limited	Ibulls Sales Limited	Ibulls Sales Limited	
	Indiabulls Holdings Limited	Indiabulls Holdings Limited	Indiabulls Holdings Limited	
	Indiabulls Venture Capital Management Company Limited	Indiabulls Venture Capital Management Company Limited	Indiabulls Venture Capital Management Company Limited	
	(Subsidiary of Indiabulls Holdings Limited)	(Subsidiary of Indiabulls Holdings Limited)	(Subsidiary of Indiabulls Holdings Limited)	
		Indiabulls Venture Capital Trustee Company Limited till March 5, 2019	Indiabulls Venture Capital Trustee Company Limited till March 5, 2019	Indiabulls Venture Capital Trustee Company Limited till March 5, 2019
		(Subsidiary of Indiabulls Holdings Limited)	(Subsidiary of Indiabulls Holdings Limited)	(Subsidiary of Indiabulls Holdings Limited)
	IBHFL Lender Repayment Trust	IBHFL Lender Repayment Trust		
	Pragati Employees Welfare Trust (Formerly known as Indiabulls Housing Finance Limited - Employees Welfare Trust)	Indiabulls Housing Finance Limited - Employees Welfare Trust (w.e.f. December 03, 2019)		



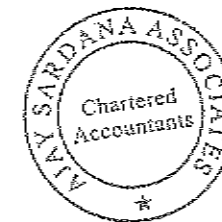
Note - 39 (continued...)

(ii) Other related parties			
Associate of holding company	-	OakNorth Holdings Limited (Previously known as Acorn OakNorth Holdings Limited) (till March 30, 2020)	OakNorth Holdings Limited (Previously known as Acorn OakNorth Holdings Limited)
Key management personnel	Mr. Ajit Kumar Mittal – Non-Executive Chairman Mr. Rajiv Gandhi- Managing Director & CEO (w.e.f. February 15, 2021)	Mr. Ajit Kumar Mittal – Non-Executive Chairman -	Mr. Ajit Kumar Mittal – Non-Executive Chairman -
	Mr Ripudaman Bandral -Managing Director (till February 15, 2021)	Mr Ripudaman Bandral -Managing Director	Mr Ripudaman Bandral -Managing Director
	Mr. Anil Malhan- Non Executive Director	Mr. Anil Malhan- Non Executive Director	Mr. Anil Malhan- Non Executive Director

(b) Significant transactions with related parties:

Amount Rs. In crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Issue of Equity Shares			
-Holding Company	-	-	2,725.05
Total			2,725.05
Secured Loan taken (Maximum balance outstanding at any time during the year)			
-Holding Company	4,286.31	4,171.45	3,705.23
-Fellow Subsidiaries	-	-	18.50
Total	4,286.31	4,171.45	3,723.73
Investment in equity shares			
-Subsidiary Company	-	0.57	0.70
Total	-	0.57	0.70
Proceeds from partial liquidation of investment			
-Subsidiary Company	0.21	-	-
Total	0.21	-	-
Interest on loans			
-Holding Company	270.69	215.69	125.96
-Fellow Subsidiaries	-	-	1.24
Total	270.69	215.69	127.20
Assignment of loans to			
-Holding Company	-	5,408.47	-
Total	-	5,408.47	-
Assignment of loans from			
-Holding Company	-	-	1,071.49
Total	-	-	1,071.49
Redemption of investment in bonds			
-Holding Company	555.50	500.00	230.00
Total	555.50	500.00	230.00
Payment made for Redemption of Bonds to:			
-Holding Company	250.00	-	-
Total	250.00	-	-
Payment made for purchase of investment from:			
-Holding Company	222.02	-	-
Total	222.02	-	-
Interest income on bonds			
-Holding Company	49.89	14.59	3.00
Total	49.89	14.59	3.00
Interest expenses on bonds			
-Holding Company	125.34	41.07	-
Total	125.34	41.07	-
Service charges			
-Holding Company	0.06	0.07	0.05
Total	0.06	0.07	0.05
Income from Service Fee			
-Holding Company	0.14	-	-
Total	0.14	-	-



Note - 39 (continued...)

Amount Rs. in crores

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Payment of preference dividend			
-Holding Company	-	-	13.54
Total	-	-	13.54
Corporate counter guarantees given to third parties by:			
-Holding Company	200.00	2,300.00	2,015.00
Total	200.00	2,300.00	2,015.00
Referral Fees/Commission			
-Fellow Subsidiary	0.30	0.48	-
Total	0.30	0.48	-
Salary / remuneration(Consolidated)*			
-Key Management Personnel	1.74	2.18	1.90
Total	1.74	2.16	1.90
Salary / remuneration(Short-term employee benefits)			
-Key Management Personnel	1.24	1.51	1.75
Total	1.24	1.51	1.75
Salary / remuneration(Share-based payments)			
-Key Management Personnel	0.52	0.47	0.05
Total	0.52	0.47	0.05
Salary / remuneration(Post-employment benefits)			
-Key Management Personnel	(0.02)	0.20	0.10
Total	(0.02)	0.20	0.10

* Remuneration paid for the year ended March 31, 2020 in excess of the limits specified under Section 197 and 198 of the Companies Act, 2013 was approved by the members of the Company at their extraordinary general meeting held on July 01, 2020.

(c) Balances outstanding as at the year end:

Amount Rs. in crores

Nature of Transaction	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Loans taken			
-Holding company	1,296.00	588.42	247.00
Total	1,296.00	588.42	247.00
Investment in bonds			
-Holding company	-	565.63	97.41
Total	-	565.63	97.41
Outstanding Balance of Borrowings in Bonds held by:			
-Holding company	1,106.55	1,350.30	897.28
Total	1,106.55	1,350.30	897.28
Amount receivable/(payable) on assigned loans			
-Holding company	16.12	(109.12)	60.77
Total	16.12	(109.12)	60.77
Corporate counter guarantees given to third parties by:			
-Holding company	1,051.00	1,545.50	2,015.00
Total	1,051.00	1,545.50	2,015.00



Note - 39 (continued...)

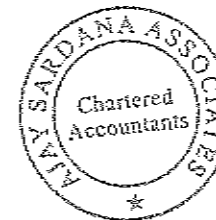
(d) Disclosure related to Fair value of Corporate Guarantee taken from holding as per IND As 109, "Financial Instruments":

Particulars	Amount Rs. in crores		
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Deemed cost of fair value of corporate guarantee			
- Indiabulls Housing Finance Limited	9.33	12.43	1.47
Total	9.33	12.43	1.47
Addition to fair value of corporate guarantee			
- Indiabulls Housing Finance Limited	4.27	9.76	41.63
Total	4.27	9.76	41.63
Unamortised portion of deemed cost for corporate guarantees			
- Indiabulls Housing Finance Limited	32.43	37.49	40.15
Total	32.43	37.49	40.15

(e) The Company has established ICCL Lender Repayment Trust to which it transfers funds solely for the purpose of timely repayment of its borrowings. As at March 31, 2021, total funds amounting to Rs. 0.00 crores (2019-20 Rs. 3.18 crores, 2018-19 Rs. Nil) were lying with such Trust for future repayments which have been included in Other financial assets.

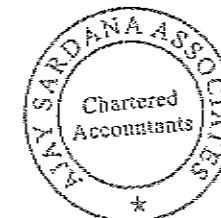
(f) Statement of Party wise transactions during the Year:

Particulars	Amount Rs. in crores		
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2020
Issue of equity shares			
Holding Company			
- Indiabulls Housing Finance Limited	-	-	2,725.05
Total	-	-	2,725.05
Secured Loans Taken*			
Holding Company			
- Indiabulls Housing Finance Limited	4,286.31	4,171.45	3,705.23
Total	4,286.31	4,171.45	3,705.23
Fellow Subsidiary			
- Nilgiri Financial Consultants Limited	-	-	18.50
Total	-	-	18.50
Investment in Equity Shares			
Subsidiary			
- Indiabulls Asset Management Mauritius	-	0.57	0.70
Total	-	0.57	0.70
Proceeds from partial liquidation of investment			
Subsidiary			
- Indiabulls Asset Management Mauritius	0.21	-	-
Total	0.21	-	-
Redemption of investment in bonds			
Holding Company			
- Indiabulls Housing Finance Limited	555.50	500.00	230.00
Total	555.50	500.00	230.00
Payment made for Redemption of Bonds to:			
Holding Company			
- Indiabulls Housing Finance Limited	250.00	-	-
Total	250.00	-	-
Payment made for purchase of investment from:			
Holding Company			
- Indiabulls Housing Finance Limited	222.02	-	-
Total	222.02	-	-
Corporate counter guarantees given to third parties for:			
Holding Company			
- Indiabulls Housing Finance Limited	200.00	2,300.00	2,015.00
Total	200.00	2,300.00	2,015.00



Note - 39 (continued...)

Particulars	Amount Rs. in crores		
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2019
(f) Statement of Party wise transactions during the Year (continued...):			
Assignment of Loans to Holding Company			
- Indiabulls Housing Finance Limited	-	5,408.47	-
Total	-	5,408.47	-
Assignment of Loans from Holding Company			
- Indiabulls Housing Finance Limited	-	-	1,071.49
Total	-	-	1,071.49
Service Charges Holding Company			
- Indiabulls Housing Finance Limited	0.06	0.07	0.05
Total	0.06	0.07	0.05
Income from Service Fee Holding Company			
- Indiabulls Housing Finance Limited	0.14	-	-
Total	0.14	-	-
Interest Income on Loan Holding Company			
- Indiabulls Housing Finance Limited	270.69	215.69	125.96
Total	270.69	215.69	125.96
Interest Expenses on Bonds Holding Company			
- Indiabulls Housing Finance Limited	125.34	41.07	-
Total	125.34	41.07	-
Payment of preference dividend Holding Company			
- Indiabulls Housing Finance Limited	-	-	13.54
Total	-	-	13.54
Interest income on Bonds Holding Company			
- Indiabulls Housing Finance Limited	49.09	14.59	3.00
Total	49.09	14.59	3.00
Referral Fees/Commission Fellow Subsidiary			
- Indiabulls Advisory Services Limited	0.30	0.48	-
Total	0.30	0.48	-
Salary / remuneration(Consolidated)			
- Ripudaman Bandra	1.45	2.18	1.90
- Rajiv Gandhi	0.28	-	-
Total	1.74	2.18	1.90
Salary / Remuneration(Short-term employee benefits)			
Remuneration to Directors			
- Ripudaman Bandra	0.97	1.51	1.75
- Rajiv Gandhi	0.27	-	-
Total	1.24	1.51	1.75
Salary / Remuneration(Share-based payments)			
- Ripudaman Bandra	0.52	0.47	0.05
- Rajiv Gandhi	-	-	-
Total	0.52	0.47	0.05
Salary / Remuneration(Post-employment benefits)			
- Ripudaman Bandra	(0.03)	0.20	0.10
- Rajiv Gandhi	0.01	-	-
Total	(0.02)	0.20	0.10



Note - 40

Earnings per share:

Particulars	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2019
Net Profit available for equity shareholders for computing Basic earnings per share (Rs. in crores)	139.04	19.81	323.00
Less: Provision for dividend on preference shares	-	-	2.25
Net Profit available for equity shareholders for computing Basic earnings per share (Rs. in crores)	-	19.81	320.75
Weighted average number of equity shares used for computing Basic earnings per share (Nos.)	24,77,99,324	24,77,99,324	11,00,10,675
Earnings per share - Basic (Rs. per share)	5.61	0.80	29.16
Net Profit available for equity shareholders for computing Diluted earnings per share (Rs. in crores)	139.04	19.81	320.75
Weighted average number of equity shares used for computing Diluted earnings per share (Nos.)	24,77,99,324	24,77,99,324	13,20,79,368
Earnings per share - Diluted (Rs. per share)	5.61	0.80	24.46
Nominal value of equity shares - (Rs. per share)	10.00	10.00	10.00

Note - 41

Risk Management

Indiabulls Commercial Credit Limited (ICCL) is a non banking finance company in India and is regulated by the Reserve Bank of India (RBI). In view of the intrinsic nature of its operations as a lending institution, Company is exposed to various risks that are related to lending business and operating environment. The principal objective of the Company's risk management processes is to measure and monitor the various risks that Company is subject to and to follow policies and procedures to address such risks. The Company's risk management framework is driven by its Board of Directors and its subcommittees (including the Audit Committee, the Asset Liability Management Committee and the Risk Management Committee). The Company gives due importance to prudent lending practices and has implemented suitable measures for risk mitigation, which include verification of credit history from credit information bureaus, personal verification of a customer's business and residence, technical and legal verifications, conservative loan to value, and required term cover for insurance. The Company is exposed to a variety of risks, such as credit risk, market risk, liquidity risk, operational risk and regulatory risks. Well-established systems and procedures provide adequate defense against the regulatory and operational risks.

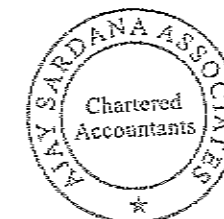
(A) Liquidity risk

Liquidity risk is the potential for loss to an entity arising from either its inability to meet its obligations or to fund increases in assets as they fall due without incurring unacceptable cost or losses

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents (including highly marketable and diverse assets that are assumed to be easily liquidated in the event of an unforeseen interruption in cash flows) to meet its obligations at all times. It also ensures having access to funding through an adequate amount of committed credit lines. The Company's treasury department is responsible for liquidity and funding as well as settlement management. The Company assesses the liquidity position under a variety of scenarios, giving due consideration to stress factors relating to both the market in general and specifically to the Company. The Company also takes into account liquidity of the market in which the entity operates. In addition, processes and policies related to such risks are overseen by the Asset Liability Management Committee and the senior management regularly monitors the position of cash and cash equivalents vis-à-vis projections. In addition, the Asset Liability Management Committee, guides the Company's treasury team in liquidity risk management through various means like liquidity buffers, sourcing of long term funds, positive asset liability mismatch, keeping strong pipeline of sanctions and approvals from banks and assignment of loans. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The table below summarises the maturity profile of the undiscounted cash flows of the Company's financial liabilities :

March 31, 2021	Amount Rs. in Crores				Total
	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	
Borrowings from banks and others	83.08	7,328.80	971.96	606.43	8,990.29
Lease liability recognised under Ind AS 116	0.04	1.07	2.29	0.43	3.83
Trade payables	-	0.40	-	-	0.40
Amount payable on assigned loans	51.81	-	-	-	51.81
Other liabilities	35.70	26.99	-	-	64.69
Undrawn Loan Commitments	-	171.65	-	-	171.65
Temporary overdrawn balances as per books	3,155.50	-	-	-	3,155.50
Servicing liability on assigned loans	0.40	3.98	0.19	-	4.57
	3,326.53	7,534.89	974.46	606.86	12,442.74



Note - 41 (continued...)

	Amount Rs. in Crores					
March 31, 2020	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	Total	
Borrowings from banks and others	35.54	7,331.40	2,608.67	691.61	10,667.22	
Lease liability recognised under Ind AS 116	0.25	1.63	2.43	1.41	5.72	
Trade payables	-	0.01	-	-	0.01	
Amount payable on assigned loans	195.34	-	-	-	195.34	
Other liabilities	76.71	7.65	-	-	84.36	
Undrawn Loan Commitments	-	5.13	-	-	5.13	
Temporary overdrawn balances as per books	2,616.53	-	-	-	2,616.53	
Servicing liability on assigned loans	0.55	8.55	1.01	-	10.11	
	2,924.92	7,354.37	2,612.11	693.02	13,584.42	

	Amount Rs. in Crores					
March 31, 2019	Upto One month	Over one months to 2 years	2 years to 5 years	more than 5 years	Total	
Borrowings from banks and others	80.89	6,396.75	6,271.75	536.59	13,285.98	
Trade payables	-	5.15	-	-	5.15	
Amount payable on assigned loans	46.44	-	-	-	46.44	
Other liabilities	47.10	4.00	-	-	51.10	
Temporary overdrawn balances as per books	1,560.94	-	-	-	1,560.94	
Servicing liability on assigned loans	0.62	14.48	0.77	-	15.87	
	1,735.99	6,420.38	6,272.52	536.59	14,965.48	

(B) Credit Risk

Credit Risk is the risk of financial loss arising out of either a customer or counterparty's unwillingness to perform on an obligation or its ability to perform such obligation is impaired resulting in economic loss to the Company. The Company's Credit Risk Management framework is categorized into following main components:

- Senior management's oversight
- Organizational structure
- Systems and procedures for identification, acceptance, measurement, monitoring and controlling risks.

It is the overall responsibility of the company's senior management to approve the Company's credit risk strategy and lending policies relating to credit risk and its management. The policies are based on the Company's overall business strategy and the same is reviewed every quarter by the senior management.

To maintain credit discipline and to enunciate credit risk management and control process there is a separate Risk Management department independent of loan origination function. The Risk Management department performs the function of Credit policy formulation, credit limit setting, monitoring of credit exceptions / exposures and review / monitoring of documentation.

The Risk Management Committee monitors credit risk the using level of credit exposures, portfolio monitoring, repurchase rate, bureau data of portfolio performance and industry, geographic, customer, portfolio concentration risks; and assessment of any major change in the business environment including economic, political as well as natural calamity/pandemic. The Risk Management Committee also periodically reviews the credit risk management procedures implemented by Risk management department.

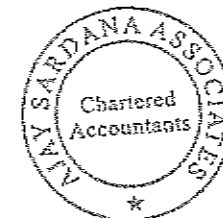
Derivative financial instruments

Credit risk arising from derivative financial instruments is, at any time, limited to those with positive fair values, as recorded on the balance sheet.

With gross-settled derivatives, the company is also exposed to a settlement risk, being the risk that the company honours its obligation, but the counterparty fails to deliver the counter value.

The Company's concentrations of risk for loans are managed by counterparty and type of loan (i.e. CRE-RH and others as defined by RBI). These are given to both individual and corporate borrowers. The table below shows the concentration of risk by type of loan.

	Amount Rs. in Crores		
	March 31, 2021	March 31, 2020	March 31, 2019
Commercial Real Estate - Residential Housing (CRE-RH)	4,021.32	3,300.83	8,280.58
Others	6,279.84	8,405.66	7,469.25



The Company's concentrations of risk (for financial assets other than loans and advances) by industry sector are given below:

March 31, 2021	Amount Rs. in Crores			
	Financial services	Government	Others	Total
Financial assets				
Cash and cash equivalents	1,809.93	-	-	1,809.93
Bank balance other than Cash and cash equivalents	36.17	-	-	36.17
Investments	949.87	-	-	949.87
Other financial assets	52.58	-	-	52.58
March 31, 2020				
Financial assets				
Cash and cash equivalents	2,000.27	-	-	2,000.27
Bank balance other than Cash and cash equivalents	52.36	-	-	52.36
Investments	1,590.43	-	-	1,590.43
Other financial assets	129.55	-	-	129.55
March 31, 2019				
Financial assets				
Cash and cash equivalents	488.16	-	-	488.16
Bank balance other than Cash and cash equivalents	52.53	-	-	52.53
Investments	417.22	-	-	417.22
Other financial assets	164.26	-	-	164.26

(C) Market Risk

Market Risk is the risk that the value of the Company's on and off-balance sheet positions will be adversely affected by movements in market rates or prices such as interest rates, foreign exchange rates, equity prices, credit spreads and/or commodity prices resulting in a loss to earnings and capital.

Market risk exposure may be explicit in portfolios of securities / equities and instruments that are actively traded. Conversely it may be implicit such as interest rate risk due to mismatch of loans and deposits. Besides, market risk may also arise from activities categorized as off-balance sheet item. Therefore market risk is potential for loss resulting from adverse movement in market risk factors such as interest rates, forex rates, equity and commodity prices.

The Company's exposure to market risk is primarily on account of interest rate risk and price risk.

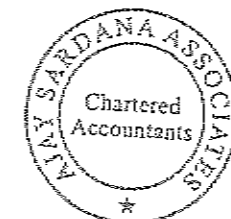
(b) Interest Rate Risk:-

Interest rate risk arises when there is a mismatch between positions, which are subject to interest rate adjustment within a specified period. The company's lending, funding and investment activities give rise to interest rate risk. The immediate impact of variation in interest rate is on the company's net interest income, while a long term impact is on the company's net worth since the economic value of the assets, liabilities and off-balance sheet exposures are affected. While assessing interest rate risks, signals given to the market by RBI and government departments from time to time and the financial industry's reaction to them shall be continuously monitored.

Due to the very nature of financial services, the company is exposed to moderate to higher Interest Rate Risk. This risk has a major impact on the balance sheet as well as the income statement of the company. Interest Rate Risk arises due to:

- Changes in regulatory or market conditions affecting the interest rates
- Short term volatility
- Prepayment risk translating into a reinvestment risk
- Real interest rate risk.

In short run, change in interest rate affects Company's earnings (measured by Nil or NIM) and in long run it affects Market Value of Equity (MVE) or net worth. It is essential for the company to not only quantify the interest rate risk but also to manage it proactively. The company mitigates its interest rate risk by keeping a balanced portfolio of fixed and variable rate loans and borrowings. Further company carries out Earnings at risk analysis and maturity gap analysis at quarterly intervals to quantify the risk.



Note - 41 (continued...)

Interest Rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates in respect of borrowings subject to variable interest rates (all other variables being constant) of the Company's statement of profit and loss:

Particulars	Basis Points	Amount Rs. in Crores		
		Effect on Profit before tax and Equity for the year ended March 31, 2021	Effect on Profit before tax and Equity for the year ended March 31, 2020	Effect on Profit before tax and Equity for the year ended March 31, 2019
Borrowings				
Increase in basis points	+25	(12.29)	(17.05)	(12.71)
Decrease in basis points	-25	12.29	17.05	12.71
Loans				
Increase in basis points	+25	33.64	35.84	27.89
Decrease in basis points	-25	(33.64)	(35.84)	(27.89)

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings taken from banks through the FCNR route.

The Company follows a conservative policy of hedging its foreign currency exposure through Forwards and / or Currency Swaps in such a manner that it has fixed determinate outflows in its function currency and as such there would be no significant impact of movement in foreign currency rates on the company's profit before tax (PBT) and equity.

(iii) Equity Price Risk

The Company's exposure price risk arises from investments held and classified in the balance sheet either at fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

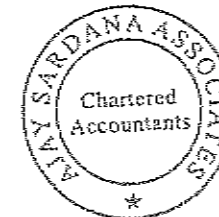
(D) Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and system or from external events.

Operational risk is associated with human error, system failures and inadequate procedures and controls. It is the risk of loss arising from the potential that inadequate information system; technology failures, breaches in internal controls, fraud, unforeseen catastrophes, or other operational problems may result in unexpected losses or reputation problems. Operational risk exists in all products and business activities.

The company recognizes that operational risk event types that have the potential to result in substantial losses includes Internal fraud, External fraud, employment practices and workplace safety, clients, products and business practices, business disruption and system failures, damage to physical assets, and finally execution, delivery and process management.

The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.



Note - 42

Leases

i) The Company has adopted the new standard, Ind AS 116 Leases with effect from 1st April, 2019 using the modified retrospective approach as per para CB (c)(i) of Ind AS 116. The Company has taken the cumulative impact of applying the standard to retained earnings as on the date of initial application (1st April, 2019). Accordingly, the Company has not restated the comparative information.

On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 5.37 crores (2019-20 Rs. 15.20 crores) and a lease liability of Rs. 5.72 crores (2019-20 Rs. 15.20 crores.)

In statement of profit and loss for the current year, the nature of expenses in respect of operating leases has changed from lease rent in previous periods to depreciation cost for the right-to-use asset and finance cost for interest accrued on lease liability.

In the context of initial application, the Company has exercised the option not to apply the new recognition requirements to short-term leases.

(ii) The lease liabilities as at April 01, 2019 are reconciled to the operating lease commitments as of March 31, 2019, as follows:

	Amount Rs. in Crore
Operating lease commitments as at March 31, 2019	16.91
Weighted average incremental borrowing rate as at April 01, 2019	9.00%
Lease liabilities as at April 01, 2019	15.20

(iii) For leases previously accounted for as operating lease, the Company availed following practical expedients transition:

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

(iv) Leases where the Company is a Lessee

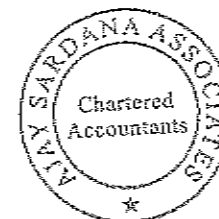
The Company has lease contracts for various office premises used in its operations. Leases of office premises generally have lease terms between 11 months to 15 years. The Company's obligations under these leases are secured by the lessor's title to the leased assets. Generally, the Company is restricted from assigning and subleasing the leased assets.

The Company also has certain leases of office premises with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

(v) Leases are shown as follows in the Company's balance sheet and Statement of profit and loss:

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

Particulars	Building - Office Premises
	Amount Rs. in Crore
Balance as at April 01, 2019 - on account of implementation of Ind AS 116	15.20
Deletion (Terminated during the year)	(5.84)
Depreciation expense	3.99
Closing balance as at March 31, 2020	5.37
Deletion (Terminated during the year)	(0.34)
Depreciation expense	1.36
Closing balance as at March 31, 2021	3.67



Note - 42 (continued...)

Set out below are the carrying amounts of lease liabilities (included under Borrowings (Other than Debt Securities)) and the movements during the period:

Particulars	Amount Rs. in Crore
Balance as at April 01, 2019 - on account of implementation of Ind AS 116	15.20
Deletion (Terminated during the year)	(6.15)
Accretion of interest	1.15
Payments	(4.47)
As at March 31, 2020	5.72
Deletion (Terminated during the year)	(0.37)
Accretion of interest	0.58
Payments	(1.30)
Change due to modification of leases	(0.60)
As at March 31, 2021	3.83

(c) Amounts recognized in the Statement of Profit and Loss

Particulars	For the year ended	For the year ended
	March 31, 2021	March 31, 2020
	Amount Rs. in Crore	
Depreciation expense of right-of-use assets	1.36	3.99
Interest expense on lease liabilities	0.38	1.15
Gain on termination/modification of leases	(0.64)	(0.31)
Expense relating to short-term leases (included in other expenses)	0.13	0.16
Total amount recognised in profit or loss	1.23	4.99

During the year the Company had total cash outflows for leases of Rs. 1.30 crores (2019-20 Rs 4.47 crores)

Note - 43

Transfers of financial assets

Transfers of financial assets that are not derecognised in their entirety

Securitisations: The company uses securitisations as a source of finance. Such transactions resulted in the transfer of contractual cash flows from portfolios of financial assets to holders of issued debt securities. Such deals resulted in continued recognition of the securitised assets since the Company retains substantial risks and rewards.

The table below outlines the carrying amounts and fair values of all financial assets transferred that are not derecognised in their entirety and associated liabilities.

Securitisations	Amount Rs. in Crore		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Carrying amount of transferred assets measured at amortised cost	141.86	139.87	-
Carrying amount of associated liabilities	(139.87)	(146.81)	-

The carrying amount of above assets and liabilities is a reasonable approximation of their respective fair values



Notes to the Reformatted Standalone Ind AS financial information

Note - 43 (continued...)

Assignment Deals

During the year ended March 31, 2021, the Company has sold certain loans (measured at amortised cost) pursuant to assignment deals, as a source of finance. As per the terms of such deals, since the derecognition criteria as per IND AS 109 are met, including transfer of substantially all the risks and rewards relating to assets being transferred to the buyer, the assets have been derecognised from the books of the Company.

The table below summarises the details of the derecognised loans (measured at amortised cost) and the consequent gain upon derecognition:

	Amount Rs. In		
Loans (at amortised cost)	For the year ended March 2021	For the year ended March 2020	For the year ended March 2019
Amount of derecognised financial assets	32.32	1,139.85	1,661.05
Gain/(loss) from derecognition	1.46	8.26	96.36

Since the Company has derecognized the above loan assets in entirety, the whole of the interest spread at the present value (discounted over the expected life of the assets) is recognised on the date of derecognition itself as interest-only strip receivable and corresponding profit on derecognition of financial assets is recognized in the Statement of Profit and Loss.

Note - 44

Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to maintain a higher capital base than the mandated regulatory capital at all times
- to maintain an optimal capital structure to reduce cost of capital
- to provide an adequate return to shareholders

The Company monitors capital using a capital adequacy ratio as prescribed by the RBI guidelines. Refer note 47 for details.

Note - 45

Fair value measurement

As per Ind AS 107, 'Financial Instruments: Disclosures', the fair values of the financial assets or financial liabilities are defined as the price that would be received on sale of asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

(i) Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique.

(ii) Valuation governance

The Company's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units. Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.



(iii) Assets and liabilities by fair value hierarchy

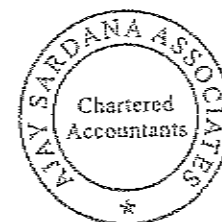
The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

Amount Rs. in Crores

	March 31, 2021			Total
	Level 1	Level 2	Level 3	
Assets measured at fair value on a recurring basis				
Financial instruments measured at fair value through profit and loss				
Debt Securities	-	30.39	-	30.39
Mutual Funds	-	919.48	-	919.48
Equity instruments	-	-	-	-
Total financial instruments measured at fair value through profit and loss	-	949.87	-	949.87
Financial instruments measured at fair value through Other comprehensive income	-	-	-	-
Total assets measured at fair value on a recurring basis	-	949.87	-	949.87
Assets measured at fair value on a non-recurring basis	-	-	-	-
Total financial assets measured at fair value	-	949.87	-	949.87
Liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total financial liabilities measured at fair value	-	-	-	-

Amount Rs. in Crores

	March 31, 2020			Total
	Level 1	Level 2	Level 3	
Assets measured at fair value on a recurring basis				
Financial instruments measured at fair value through profit and loss				
Debt Securities	-	596.06	-	596.06
Mutual Funds	-	994.37	-	994.37
Equity instruments	-	-	-	-
Total financial instruments measured at fair value through profit and loss	-	1,590.43	-	1,590.43
Financial instruments measured at fair value through Other comprehensive income	-	-	-	-
Total assets measured at fair value on a recurring basis	-	1,590.43	-	1,590.43
Assets measured at fair value on a non-recurring basis	-	-	-	-
Total financial assets measured at fair value	-	1,590.43	-	1,590.43
Liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total financial liabilities measured at fair value	-	-	-	-



Note - 45 (continued...)

Amount Rs. in Crores

	March 31, 2019			Total
	Level 1	Level 2	Level 3	
Assets measured at fair value on a recurring basis				
Derivative financial instruments				
Forward contracts	-	-	-	-
Interest rate swaps	-	-	-	-
Currency swaps	-	-	-	-
Total derivative financial instruments	-	-	-	-
Financial instruments measured at fair value through profit and loss				
Government Debt Securities	-	-	-	-
Debt Securities	-	123.02	-	123.02
Mutual Funds	-	292.65	-	292.65
Equity instruments	-	-	-	-
Total financial instruments measured at fair value through profit and loss	-	415.67	-	415.67
Financial instruments measured at fair value through Other comprehensive	-	-	-	-
Total assets measured at fair value on a recurring basis	-	415.67	-	415.67
Assets measured at fair value on a non-recurring basis				
Total financial assets measured at fair value	-	415.67	-	415.67
Liabilities measured at fair value on a recurring basis	-	-	-	-
Liabilities measured at fair value on a non-recurring basis	-	-	-	-
Total financial liabilities measured at fair value	-	-	-	-

(iv) Valuation techniques

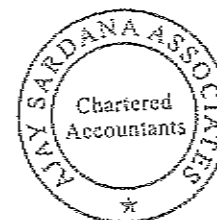
Debenture and Bonds

Fair value of these instruments is derived based on the indicative quotes of price and yields prevailing in the market as at reporting date and are classified as Level 2.

Mutual Funds

Open ended mutual funds are valued at NAV declared by respective fund house and are classified under Level 2.

(v) There have been no transfers between Level 1, Level 2 and Level 3 for the year ended March 31, 2021, March 31, 2020 and March 31, 2019



(vi) Fair value of financial instruments not measured at fair value

Set out below is a comparison, by class, of the carrying amounts and fair values of the Company's financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

		Amount Rs. in Crores			
	Carrying Value	March 31, 2021			Total
		Level 1	Level 2	Level 3	
Financial Assets:					
Cash and cash equivalents	1,809.93	-	-	-	-
Bank balances other than cash and cash equivalents	58.17	-	-	-	-
Loans and advances	12,301.16	-	-	-	-
Other Financial assets	52.58	-	-	-	-
Total financial assets	14,221.84	-	-	-	-
Financial Liabilities:					
Trade payables	0.40	-	-	-	-
Debt securities	2,192.77	-	2,079.73	-	2,079.73
Borrowing other than debt securities	5,260.88	-	-	-	-
Subordinated liabilities	349.40	-	376.51	-	376.51
Other financial liabilities	3,405.88	-	-	-	-
Total financial liabilities	11,230.33	-	2,456.24	-	2,456.24
Off-balance sheet items:					
Other commitments	-	-	-	-	-
Total off-balance sheet items	-	-	-	-	-



	Carrying Value	March 31, 2020				Amount Rs. In Crores
		Fair Value				Total
		Level 1	Level 2	Level 3		
Financial Assets:						
Cash and cash equivalents	2,000.27	-	-	-	-	
Bank balances other than cash and cash equivalents	52.36	-	-	-	-	
Loans and advances:	11,705.49	-	-	-	-	
Other Financial assets:	125.55	-	-	-	-	
Total financial assets	13,883.67	-	-	-	-	
Financial Liabilities:						
Trade payables	3.01	-	-	-	-	
Debt securities	2,440.38	-	2,337.33	-	2,337.33	
Borrowing other than debt securities	6,088.62	-	-	-	-	
Subordinated Liabilities	349.86	-	363.44	-	363.44	
Other financial liabilities	3,067.27	-	-	-	-	
Total financial liabilities	11,945.34	-	2,700.78	-	2,703.78	
Off-balance sheet items:						
Other commitments	-	-	-	-	-	
Total off-balance sheet items	-	-	-	-	-	

	Carrying Value	March 31, 2019				Amount Rs. in Crores
		Fair Value				Total
		Level 1	Level 2	Level 3		
Financial Assets:						
Cash and cash equivalents	488.16	-	-	-	-	
Bank balances other than cash and cash equivalents	52.53	-	-	-	-	
Loans and advances:	15,749.83	-	-	-	-	
Other Financial assets:	364.26	-	-	-	-	
Total financial assets	15,454.78	-	-	-	-	
Financial Liabilities:						
Trade payables	5.15	-	-	-	-	
Debt securities	2,215.22	-	2,229.72	-	2,229.72	
Borrowing other than debt securities	8,247.44	-	-	-	-	
Subordinated Liabilities	343.95	-	326.21	-	326.21	
Other financial liabilities	1,820.23	-	-	-	-	
Total financial liabilities	12,632.00	-	2,555.93	-	2,555.93	
Off-balance sheet items:						
Other commitments	-	-	-	-	-	
Total off-balance sheet items	-	-	-	-	-	

(vi) Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables.

Debt Securities & Subordinated liabilities

These includes Subordinated debt, secured debentures, unsecured debentures. The fair values of such liabilities are estimated using a discounted cash flow model based on contractual cash flows using actual or estimated yields and discounting by yields incorporating the counterparties' credit risk. These instrument are classified in Level 2.

Assets and Liabilities other than above

The carrying value of assets and liabilities other than investments at amortised cost, debt securities and subordinated liabilities represents a reasonable approximation of fair value.



Disclosures in terms of Annex IV of the RBI Directions, 2016:

Particulars	Amount Rs.in Lakhs					
	March 31, 2021		March 31, 2020		March 31, 2019	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
(1) Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:						
(a) Debentures : Secured ⁽¹⁾	2,29,785.01	Nil	2,56,204.09	Nil	2,31,942.27	Nil
: Insecured ^(3, 4, 5)	36,172.87	Nil	36,116.92	Nil	35,624.92	Nil
(other than falling within the meaning of						
(b) Deferred Credits		Nil		Nil		Nil
(c) Term Loans ⁽²⁾	3,81,891.02	Nil	5,36,003.77	Nil	5,85,702.15	Nil
(d) Inter-corporate loans and borrowing	Nil	Nil	Nil	Nil	Nil	Nil
(e) Commercial Paper	Nil	Nil	Nil	Nil	Nil	Nil
(f) Other Loans – (specify nature)						
– Loan from Holding Company	1,29,600.00	Nil	58,842.00	Nil	24,700.00	Nil
– From Banks-Cash Credit Facility ⁽⁴⁾	1,877.08	Nil	1,500.44	Nil	1,653.82	Nil
– From Banks-Overdraft Facility	1,840.76	Nil	Nil	Nil	2,15,417.18	Nil

(1) includes interest accrued but not paid for Rs. 10,507.62 lakhs (2019-20 Rs. 12,165.32 Lakhs, 2018-19 Rs. 10,420.47 Lakhs)

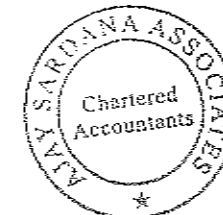
(2) includes interest accrued but not paid for Rs. 1290.56 Lakhs (2019-20 Rs. 2,696.50 Lakhs, 2018-19 Rs. 2,938.88 Lakhs)

(3) includes interest accrued but not paid for Rs. 1232.40 Lakhs (2019-20 Rs. 1,231.02 Lakhs, 2018-19 Rs. 1,228.66 Lakhs)

(4) includes interest accrued but not paid for Rs. Nil Lakhs (2019-20 Rs. 0.44 Lakhs, 2018-19 Rs. Nil)

(5) Unsecured non-convertible debentures in the nature of subordinate debts

Assets side:	Amount Rs. in lakhs Outstanding as at		
	March 31, 2021	March 31, 2020	March 31, 2019
(2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below:]			
(a) Secured	9,59,636.25	9,53,433.47	15,53,824.09
(b) Unsecured	2,84,691.93	2,28,526.32	15,710.82
(3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities			
(i) Lease assets including lease rentals under sundry debtors			
(a) Financial lease	Nil	Nil	Nil
(b) Operating lease	Nil	Nil	Nil
(ii) Stock on hire including hire charges under sundry debtors:			
(a) Assets on hire	Nil	Nil	Nil
(b) Repossessed Assets	Nil	Nil	Nil
(iii) Other loans counting towards AFC activities			
(a) Loans where assets have been repossessed	Nil	Nil	Nil
(b) Loans other than (a) above	Nil	Nil	Nil

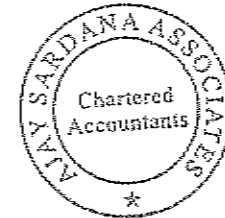


(4) Break-up of Investments:	Amount Rs. in lakhs Outstanding as at		
	March 31, 2021	March 31, 2020	March 31, 2019
Current investments			
1. Quoted:			
(i) Shares : (a) Equity	Nil	Nil	Nil
(b) Preference	Nil	Nil	Nil
(ii) Debentures and Bonds	Nil	56,563.22	9,741.34
(iii) Units of mutual funds	Nil	Nil	Nil
(iv) Government Securities	Nil	Nil	Nil
(v) Others (please specify)	Nil	Nil	Nil
2. Unquoted:			
(i) Shares : (a) Equity	Nil	Nil	Nil
(b) Preference	Nil	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil	Nil
(iii) Units of mutual funds	2,461.36	9,698.24	29,264.91
(iv) Government Securities	Nil	Nil	Nil
(v) Others (please specify)	Nil	Nil	Nil
Long Term investments			
1. Quoted:			
(i) Shares : (a) Equity	Nil	Nil	Nil
(b) Preference	Nil	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil	Nil
(iii) Units of mutual funds	Nil	Nil	Nil
(iv) Government Securities	Nil	Nil	Nil
(v) Others (please specify)	Nil	Nil	Nil
2. Unquoted:			
(i) Shares : (a) Equity	191.23	212.06	155.26
(b) Preference	Nil	Nil	Nil
(ii) Debentures and Bonds	Nil	Nil	Nil
(iii) Units of mutual funds	89,486.64	89,738.69	Nil
(iv) Government Securities	Nil	Nil	Nil
(v) Others (Security Receipts)	3,038.54	3,042.86	2,560.74

(5) Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Amount net of provisions (Rs. in lakhs)					
	March 31, 2021			March 31, 2020		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1. Related Parties						
(a) Subsidiaries	Nil	Nil	Nil	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil	Nil	Nil	Nil
2. Other than related parties*	9,25,679.82	2,84,691.93	12,10,371.75	9,26,653.85	2,28,828.91	11,55,482.76
Total	9,25,679.82	2,84,691.93	12,10,371.75	9,26,653.85	2,28,828.91	11,55,482.76

*Excludes Provision against loan assets of Rs.32,956.42 Lakhs (2019-20 Rs.25,777.03, 2018-19 Rs. 9,147.74 Lakhs)



Note - 46 (continued...)

Category	Amount net of provisions (Rs. in lakhs)		
	March 31, 2019		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties*	15,44,876.35	15,710.82	15,60,387.17
Total	15,44,876.35	15,710.82	15,60,387.17

(b) Investor group-wise classification of all investments (Current and Long term) in shares and securities (both quoted and unquoted):

Category	March 31, 2021		March 31, 2020		March 31, 2019	
	Market Value / Break up or fair value or NAV (Rs. in lakhs)	Book Value (Net of Provision) (Rs. in lakhs)	Market Value / Break up or fair value or NAV (Rs. in lakhs)	Book Value (Net of Provision) (Rs. in lakhs)	Market Value / Break up or fair value or NAV (Rs. in lakhs)	Book Value (Net of Provision) (Rs. in lakhs)
1. Related Parties						
(a) Subsidiaries	191.23	-	212.06	-	155.28	155.28
(b) Companies in the same group	-	-	56,563.22	51,644.50	9,741.34	9,701.45
(c) Other related parties	Nil	Nil	Nil	Nil	Nil	Nil
2. Other than related parties:						
Investment in equity shares(quoted)	Nil	Nil	Nil	Nil	Nil	Nil
Investment in Units of mutual funds	91,948.22	90,788.50	89,438.93	97,844.24	29,264.91	29,264.91
Investment in Security Receipts	3,038.54	3,038.54	3,042.66	3,042.86	2,560.74	2,560.74
Total	95,177.99	93,807.04	1,59,255.07	1,52,531.60	41,722.27	41,682.38

(7) Other information:

Particulars	Amount (Rs. in lakhs)		
	March 31, 2021	March 31, 2020	March 31, 2019
(i) Gross Non-Performing Assets			
(a) Related parties	Nil	Nil	Nil
(b) Other than related parties	62,020.13	34,737.13	19,699.84
(ii) Net Non-Performing Assets			
(a) Related parties	Nil	Nil	Nil
(b) Other than related parties	40,480.00	27,071.58	14,864.93
(iii) Assets acquired in satisfaction of debt	Nil	Nil	Nil

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the Auditors.

Note - 47

Disclosures in terms of Annex XIV of the RBI Directions, 2016

(i) Disclosure of Capital to Risk Assets Ratio (CRAR):

Items	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
CRAR (%)	54.48%	32.44%	27.68%
CRAR - Tier I Capital (%)	31.44%	29.54%	25.41%
CRAR - Tier II Capital (%)	3.04%	2.89%	2.47%
Amount of subordinated debt raised as Tier-II capital (Rs in Crores)	349.40	345.80	350.00
Amount raised by issue of Perpetual Debt Instruments	Nil	Nil	Nil



Note - 47 (continued...)

Category	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(iii)(a) Exposure to Real Estate Sector:			
Direct Exposure			
(a) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Individual housing loans up to Rs.15 lakh are Rs. 115.66 crore (Previous year Rs. 59.55 Crore).	1,680.99	1,809.87	0.23
(b) Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits;	6,726.57	6,191.93	15,238.41
(c) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -			
(i) Residential	Nil	Nil	Nil
(ii) Commercial Real Estate	Nil	Nil	Nil
Total Exposure to Real Estate Sector	8,409.56	8,001.80	15,238.64

Particulars	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(iii)(b) Exposure to Capital Market:			
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	5.18	292.65
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-	-
Total Exposure to Capital Market	-	5.18	292.65

The above summary is prepared based on the information available with the Company.

(iii) Maturity pattern of certain items of assets and liabilities March 31,2021*:

Particulars	Amount Rs. in crores					
	Deposits	Advances	Investments	Borrowings	Foreign Currency assets	Foreign Currency Liabilities
1 to 7 days	-	236.50	16.61	-	-	-
8 to 14 days	-	0.94	-	18.75	-	-
15 days to 30/31 days	-	172.34	-	5.36	-	-
Over one month to 2 months	-	313.31	-	6.38	-	-
Over 2 months to 3 months	-	270.37	-	231.38	-	-
Over 3 months to 5 months	-	674.55	21.46	2,946.78	-	-
Over 5 months to 1 year	-	1,185.43	15.45	891.62	-	-
Over 1 year to 3 years	-	5,831.61	911.44	2,994.88	-	-
Over 3 years to 5 years	-	3,595.83	-	210.28	-	-
Over 5 years	-	987.96	23.33	510.62	-	-
Total	-	13,266.84	988.29	7,623.05	-	-



(iii) Maturity pattern of certain items of assets and liabilities March 31, 2020*

Particulars	Amount Rs. in crores					
	Deposits	Advances	Investments	Borrowings	Foreign Currency assets	Foreign Currency Liabilities
1 to 7 days	-	256.39	98.39	-	-	-
8 to 14 days	-	24.95	-	-	-	-
15 days to 30 / 31 days	-	90.03	-	8.67	-	-
Over one month to 2 months	-	350.56	19.50	8.91	-	-
Over 2 months to 3 months	-	429.40	1.25	254.13	-	-
Over 3 months to 6 months	-	751.26	20.00	1,026.48	-	-
Over 6 months to 1 year	-	1,947.42	0.25	906.28	-	-
Over 1 year to 3 years	-	5,284.01	1,490.33	5,858.41	-	-
Over 3 years to 5 years	-	2,995.16	-	471.41	-	-
Over 5 years	-	726.65	13.31	543.60	-	-
Total	-	12,856.66	1,643.03	8,878.09	-	-

(iii) Maturity pattern of certain items of assets and liabilities March 31, 2019*

Particulars	Amount Rs. in crores					
	Deposits	Advances	Investments	Borrowings	Foreign Currency assets	Foreign Currency Liabilities
1-14 days	-	-	-	-	-	-
1 to 7 days	-	192.65	293.97	36.21	-	-
8 to 14 days	-	190.62	-	-	-	-
15 days to 30 / 31 days	-	52.56	1.50	-	-	-
Over one month to 2 months	-	212.73	2.45	-	-	-
Over 2 months to 3 months	-	208.72	38.25	72.50	-	-
Over 3 months to 6 months	-	1,051.42	39.00	374.75	-	-
Over 6 months to 1 year	-	2,247.30	158.15	2,688.37	-	-
Over 1 year to 3 years	-	5,222.72	92.62	5,560.27	-	-
Over 3 years to 5 years	-	4,054.64	-	1,736.14	-	-
Over 5 years	-	1,615.44	1.55	391.41	-	-
Total	-	16,086.79	627.49	10,859.65	-	-

*In addition to the investments shown in the table above, the company also had cash, cash equivalents and bank balances of Rs. 1,809.68 Crores (2019-20 Rs. 2,000.02 Crores, 2018-19 Rs. 488.15 Crores)

Note: In compiling the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.

(iv) Disclosures of Investments

Particulars	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(1) Value of Investments			
(i) Gross Value of Investments			
a) In India	949.87	1,590.43	415.67
b) Outside India	1.91	2.12	2
(ii) Provision for Depreciation			
a) In India	Nil	Nil	Nil
b) Outside India	1.91	2.12	Nil
(iii) Net Value of Investments			
a) In India	949.87	1,590.43	415.67
b) Outside India	0.00	0.00	2
(2) Movement of provisions held towards depreciation on investments			
(i) Opening balance	2.12	-	-
(ii) Add: Provisions made during the year	-	2.12	-
(iii) Less: Write-off/write-back of excess provisions during the year	0.21	-	-
(iv) Closing balance	1.91	2.12	-



(vi) Disclosures of Derivatives

Particulars	Amount Rs. in crores		
	March 31, 2021	March 31, 2020	March 31, 2019
(a) Forward Rate Agreement/Interest Rate Swap			
(i) The notional principal of swap agreements	Nil	Nil	Nil
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	Nil	Nil	Nil
(iii) Collateral required by the NBFC upon entering into swaps	Nil	Nil	Nil
(iv) Concentrations of credit risk arising from swaps	Nil	Nil	Nil
(v) The fair value of the swap book	Nil	Nil	Nil

Particulars	Amount Rs. in crores		
	March 31, 2021	March 31, 2020	March 31, 2019
(b) Exchange Traded Interest Rate (IR) Derivatives			
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	Nil	Nil	Nil
(ii) Notional principal amount of exchange traded IR derivatives outstanding (instrument-wise)	Nil	Nil	Nil
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Nil	Nil	Nil
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	Nil	Nil	Nil

(c) Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

In the ordinary course of its business, the Company is exposed to risks resulting from changes in foreign currency exchange rates. It manages its exposure to these risks through derivative financial instruments. It uses derivative instruments such as forwards to manage these risks, in terms of its policy as approved by its Board of Directors which is consistent with its risk management strategy. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations. The Company's risk management activities are subject to the management, direction and control of Risk Management Committee of its Board of Directors, which reports to the Board on the scope of its activities. The Company has appropriately segregated the functions and activities pertaining to its derivative transactions. All derivative transactions entered into by the Company are reported to the Board, and the mark-to-market gain/loss on its portfolio is monitored regularly by the senior management. As at March 31, 2020, the Company has no outstanding forward exchange contract (previous year : Nil) to hedge foreign currency risk.

Quantitative Disclosures

Particulars	Amount Rs. in crores					
	March 31, 2021		March 31, 2020		March 31, 2019	
	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)						
For hedging	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Marked to Market Positions (1)						
(a) Asset (+)	Nil	Nil	Nil	Nil	Nil	Nil
(b) Liability (-)	Nil	Nil	Nil	Nil	Nil	Nil
(iii) Credit Exposure (2)	Nil	Nil	Nil	Nil	Nil	Nil
(iv) Unhedged Exposures	Nil	Nil	Nil	Nil	Nil	Nil

(vi)(a) Details of Financial Assets sold to Securitisation/Reconstruction Company for Asset Reconstruction

Particulars	Amount Rs. in crores		
	March 31, 2021	March 31, 2020	March 31, 2019
(i) No. of accounts	14	1	5
(ii) Aggregate value (net of provisions) of accounts sold to SC/RC	22.48	20.77	339.30
(iii) Aggregate consideration	19.00	20.00	53.03
(iv) Additional consideration realized in respect of accounts transferred in earlier years	NA	NA	NA
(v) Aggregate gain/(loss) over net book value	(3.48)	(0.77)	(86.27)



(vi)(b) Disclosures relating to Securitisation

Amount Rs. in crores

Particulars	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(1) No of SPVs sponsored by the NBFC for securitisation transactions	Nil	Nil	Nil
(2) Total amount of securitised assets as per books of the SPVs sponsored by the NBFC	Nil	Nil	Nil
(3) Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet			
a) Off-balance sheet exposures			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil
b) On-balance sheet exposures			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil
(4) Amount of exposures to securitisation transactions other than MRR			
a) Off-balance sheet exposures			
i) Exposure to own securitisations			
* First loss	Nil	Nil	Nil
* loss			
ii) Exposure to third party securitisations			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil
b) On-balance sheet exposures			
i) Exposure to own securitisations			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil
ii) Exposure to third party securitisations			
* First loss	Nil	Nil	Nil
* Others	Nil	Nil	Nil

(vi)(c) Details of Assignment transactions undertaken by NBFCs

Amount Rs. in crores

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) No. of accounts	84	528	1,161
(ii) Aggregate value (net of provisions) of accounts sold	32.32	1,139.85	1,861.03
(iii) Aggregate consideration	32.32	1,139.85	1,851.03
(iv) Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil	Nil
(v) Aggregate gain/(loss) over net book value	1.46	9.26	141

(vi)(d) Details of non-performing financial assets purchased/sold

A. Details of non-performing financial assets purchased:

Amount Rs. in crores

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
1. (a) No. of accounts purchased during the year	Nil	Nil	Nil
(b) Aggregate outstanding	Nil	Nil	Nil
2. (a) Of these, number of accounts restructured during the year	Nil	Nil	Nil
(b) Aggregate outstanding	Nil	Nil	Nil



Note - 47 (continued...)

B. Details of non-performing financial assets sold:

Particulars	Amount Rs. in crores		
	March 31, 2021	March 31, 2020	March 31, 2019
1. No. of accounts sold	Nil	Nil	Nil
2. Aggregate outstanding	Nil	Nil	Nil
3. Aggregate consideration received	Nil	Nil	Nil

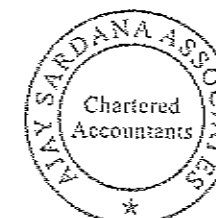
(vii) No penalties have been imposed on the Company by RBI and other regulators for the Financial Year ended March 31, 2021 (March 31, 2020: Nil, March 2018-19 Rs. Nil).

(viii) The Company has been assigned the following credit ratings during the year: FY 2020-21

Deposits Instrument	Name of rating agency	Date of rating / revalidation	Rating assigned	Borrowing limit or conditions imposed by rating agency, if any (Amt. in Rs. Crs)
Bank Loan Facilities	CRISIL	31-Mar-21	CRISIL AA	2,500.00
Subordinate debt	CRISIL	31-Mar-21	CRISIL AA	500.00
NCDs	CRISIL	31-Mar-21	CRISIL AA	1,450.00
Public Issue of retail secured redeemable non-convertible debentures	CRISIL	31-Mar-21	CRISIL AA	4,991.17
Public Issue of retail unsecured redeemable non-convertible debentures	CRISIL	31-Mar-21	CRISIL AA	500.00
Short Term Debt (CPs)	CRISIL	31-Mar-21	CRISIL A1+	3,000.00
Long-term bank facilities	CARE	26-Mar-21	CARE AA	8,000.00
Subordinate debt	CARE	23-Mar-21	CARE AA	500.00
NCDs	CARE	23-Mar-21	CARE AA	1,000.00
Public Issue of secured redeemable non-convertible debentures	CARE	23-Mar-21	CARE AA	1,991.17
Public Issue of retail secured redeemable non-convertible debentures	CARE	26-Mar-21	CARE AA	1,000.00
Public Issue of unsecured redeemable non-convertible debentures	CARE	26-Mar-21	CARE AA	500.00
Short Term Debt (CPs)	CARE	23-Mar-21	CARE A1+	500.00
NCDs	Brickwork	29-Mar-21	BWR AA+	1,500.00
Bank Loan Facilities	Brickwork	29-Mar-21	BWR AA+	1,500.00
Subordinate debt	Brickwork	29-Mar-21	BWR AA+	750.00
Public Issue of retail secured redeemable non-convertible debentures	Brickwork	29-Mar-21	BWR AA+	1,000.00
Public Issue of retail unsecured redeemable non-convertible debentures	Brickwork	29-Mar-21	BWR AA+	500.00
Short Term Debt (CPs)	Brickwork	29-Mar-21	BWR A1+	500.00

The Company has been assigned the following credit ratings during the year: FY - 2019-20

Deposits Instrument	Name of rating agency	Date of rating / revalidation	Rating assigned	Borrowing limit or conditions imposed by rating agency, if any (Amt. in Rs. Crs)
Bank Loan Facilities	CRISIL	24-Mar-20	CRISIL AA	2,500.00
Subordinate debt	CRISIL	24-Mar-20	CRISIL AA	500.00
NCDs	CRISIL	24-Mar-20	CRISIL AA	1,450.00
NCDs (Public Issue of retail secured redeemable non-convertible debentures)	CRISIL	24-Mar-20	CRISIL AA	3,000.00
NCDs (Public Issue of retail secured redeemable non-convertible debentures)	CRISIL	24-Mar-20	CRISIL AA	2,000.00
NCDs (Public Issue of retail unsecured redeemable non-convertible debentures)	CRISIL	24-Mar-20	CRISIL AA	500.00
Short Term Debt (CPs)	CRISIL	24-Mar-20	CRISIL A1+	3,000.00
Short Term Debt (CPs)	ICRA	30-Aug-19	ICRA A1+	8,000.00
Long-term bank facilities	CARE	14-Feb-20	CARE AA	15,000.00
Subordinate debt	CARE	14-Feb-20	CARE AA	1,200.00
NCDs	CARE	14-Feb-20	CARE AA	2,000.00
Public Issue of secured redeemable non-convertible debentures	CARE	14-Feb-20	CARE AA	5,000.00
Public Issue of unsecured redeemable non-convertible debentures	CARE	14-Feb-20	CARE AA	500.00
Short Term Debt (CPs)	CARE	14-Feb-20	CARE A1+	8,000.00
NCDs	Brickwork	23-Mar-20	BWR AA+	1,500.00
Bank Loan Facilities	Brickwork	23-Mar-20	BWR AA+	1,500.00
Subordinate debt	Brickwork	23-Mar-20	BWR AA+	750.00



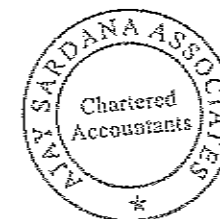
The Company has been assigned the following credit ratings: FY - 2018-19

Instrument	As at March 31, 2019	As at March 31, 2018
Total Bank Loan Facilities Rated of Rs.2500 Crore (Previous year Rs 2500 Crore)	CRISIL AAA/Stable	CRISIL AAA/Stable
Subordinate debt of Rs 500 Crore (Previous Year Rs 500 Crore)	CRISIL AAA/Stable	CRISIL AAA/Stable
Non Convertible Debentures of Rs.1450 Crore (Previous year Rs 1450 Crore)	CRISIL AAA/Stable	CRISIL AAA/Stable
NCDs (Public Issue of retail secured redeemable non-convertible debentures) of Rs 3000 Crore	CRISIL AAA/Stable	NA
NCDs (Public Issue of retail secured redeemable non-convertible debentures) of Rs 2000 Crore	CRISIL AAA	NA
NCDs (Public Issue of retail unsecured redeemable non-convertible debentures) of Rs 500 Crore	CRISIL AAA	NA
Commercial Paper of Rs. 3000 Crore (Previous year Rs 3000 Crore)	CRISIL A1+	CRISIL A1+ (Reaffirmed)
Long-term bank facilities of Rs 15000 Crore (Previous year Rs 6000 Crore)	CARE AAA ; Stable (Reaffirmed)	CARE AAA ; Stable
Subordinate Debt Rs. 1200 Crore (Previous year Rs 1200 Crore)	CARE AAA ; Stable (Reaffirmed)	CARE AAA ; Stable
Long Term Non Convertible Debentures of Rs. 2500 Crore (Previous year Rs 2500 Crore)	CARE AAA ; Stable (Reaffirmed)	CARE AAA ; Stable
Public Issue of secured redeemable non-convertible debentures of Rs. 5000 Crore	CARE AAA ; Stable (Reaffirmed)	NA
Public Issue of unsecured redeemable non-convertible debentures of Rs. 500 Crore	CARE AAA ; Stable (Reaffirmed)	NA
Commercial Paper of Rs. 8000 Crore	CARE A1+ (Reaffirmed)	NA
Commercial Paper of Rs. 8000 Crore (Previous year Rs 4000 Crore)	ICRA A1+	ICRA A1-
Bank Loan Facilities Rated of Rs.1500 Crore (Previous year Rs 1500 Crore)	BWR AAA (Reaffirmed)	BWR AAA
Non Convertible Debentures of Rs. 1500 Crore (Previous year Rs 1500 Crore)	BWR AAA (Reaffirmed)	BWR AAA
Subordinate Debt Rs. 750 Crore (Previous year Rs. 500 Crore)	BWR AAA (Reaffirmed)	BWR AAA

(ix) Additional Disclosures

(a) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Amount Rs. in crores		
	March 31, 2021	March 31, 2020	March 31, 2019
Provisions for depreciation on Investment	1.91	2.12	Nil
Provision towards NPA	585.92	28.31	223.10
Provision made towards Income tax (including deferred tax and MAT Credit)	13.75	7.44	85.60
Provision for Standard Assets	(66.95)	147.99	30.52



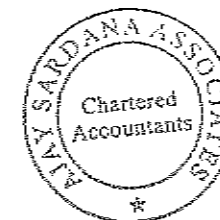
	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(b) Concentration of Advances			
Total Advances to twenty largest borrowers	3,822.21	3,188.50	2,601.78
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	30.72%	28.97%	16.48%

	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(c) Concentration of Exposures			
Total Exposure to twenty largest borrowers / customers	3,822.21	3,188.50	2,601.78
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	30.72%	28.87%	16.30%

	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(d) Concentration of NPAs			
Total Exposure to top four NPA accounts	384.06	148.14	121.59

	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(e) Sector-wise NPAs			
Sector	Percentage of NPAs to Total Advances in that sector		
Agriculture & allied activities	0.00%	0.00%	0.00%
MSME	5.65%	1.27%	0.38%
Corporate borrowers	5.39%	3.73%	1.47%
Services	0.00%	0.00%	0.00%
Unsecured personal loans	2.78%	0.00%	0.00%
Other personal loans	0.00%	0.00%	0.00%
Auto loans and Other Loans	1.71%	1.94%	0.31%

Particulars	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i) Net NPAs to Net Advances (%)	3.25%	2.29%	0.95%
(ii) Movement of NPAs (Gross)			
a) Opening balance	347.37	197.00	49.49
b) Additions during the year	835.80	988.16	151.52
c) Reductions during the year	562.97	837.79	4.01
d) Closing balance	620.20	347.37	197.00
(iii) Movement of Net NPAs			
a) Opening balance	270.71	148.65	37.35
b) Additions during the year	134.09	122.06	111.30
c) Reductions during the year	-	-	-
d) Closing balance	404.80	270.71	148.65
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)			
a) Opening balance	76.66	48.35	12.14
b) Additions during the year	585.92	28.31	36.21
c) Reductions during the year	447.18	-	-
d) Closing balance	215.40	76.66	48.35



Note - 47 (continued...)

			Amount Rs. in crores		
(ix) Overseas Assets					
Name of Joint Venture/Subsidiary	Other Partner in the JV	Country	Total Assets		
			As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
Indiabulls Asset Management Mauritius- Wholly Owned Subsidiary	NA	Mauritius	1.91	2.12	-

(xi) Disclosure of Complaints -Customer Complaints

Particulars	March 31, 2021	March 31, 2020	March 31, 2019
(a) No. of complaints pending at the beginning of the year	3	-	Nil
(b) No. of complaints received during the year	44	100	20
(c) No. of complaints redressed during the year	47	97	20
(d) No. of complaints pending at the end of the year	0	3	Nil

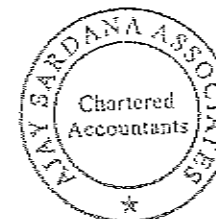
Note: In compiling the above information and disclosures, certain estimates, assumptions and adjustments have been made by the Management for its regulatory submissions which have been relied upon by the Auditors.

(xii) Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC
The Company has not exceeded the limits for SGL / GBL

Note - 48

Disclosures in terms of RBI circular vide reference no RBI/2019-20/170 DOR (NBFC),CC.PD.No.108/22,10.106/2019-20 Dated as on March 13, 2020

Amount in Rs crore							
March 31, 2021							
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms	
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)	
Performing Assets	Stage 1	10,267.93	84.70	10,183.23	80.95	3.75	
	Stage 2	1,555.15	39.25	1,515.90	24.45	14.80	
Subtotal		11,823.08	123.95	11,699.13	105.40	18.55	
Non-Performing Assets (NPA)							
Substandard	Stage 3	495.19	177.14	318.05	53.29	123.85	
Doubtful	Stage 3	125.02	39.26	86.75	30.46	7.80	
Loss	Stage 3	-	-	-	-	-	
Subtotal for NPA		620.20	215.40	404.80	83.75	131.65	
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current income Recognition, Asset Classification and Provisioning (IRACP) norms (moratorium, etc.)	Stage 1	171.65	0.21	-	-	-	
	Stage 2	-	-	-	-	-	
	Stage 3	-	-	-	-	-	
Subtotal		171.65	0.21	-	-	-	
Total	Stage 1	10,439.58	84.91	10,183.23	80.95	3.75	
	Stage 2	1,555.15	39.25	1,515.90	24.45	14.80	
	Stage 3	620.20	215.40	404.80	83.75	131.65	
Total Provision		12,614.93	339.56	12,103.93	189.15	150.20	



March 31, 2020							Amount in Rs crore
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms	
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)	
Performing Assets	Stage 1	8,128.98	64.38	8,064.60	32.66	31.71	
	Stage 2	3,346.25	126.73	3,219.52	21.65	105.08	
Subtotal		11,475.23	191.11	11,284.12	54.31	136.60	
Non-Performing Assets (NPA)							
Substandard	Stage 3	198.64	39.65	158.99	19.96	19.79	
Doubtful	Stage 3	148.73	37.01	111.72	30.22	5.79	
Loss	Stage 3	-	-	-	-	-	
Subtotal for NPA		347.37	76.66	270.71	50.08	26.56	
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current	Stage 1	5.13	0.00	-	-	-	
	Stage 2	-	-	-	-	-	
	Stage 3	-	-	-	-	-	
Subtotal		5.13	0.00	-	-	-	
Total	Stage 1	8,134.11	64.38	8,064.60	32.66	31.71	
	Stage 2	3,346.25	126.73	3,219.52	21.65	105.08	
	Stage 3	347.37	76.66	270.71	50.08	26.56	
Total Provision		11,827.73	267.77	11,554.83	104.39	163.38	

Includes Provisions for moratorium (Refer note 57)



Particulars	Foreign Currency	Year ended March 31, 2019		
		Exchange Rate	Amount in Foreign Currency (USD)	Amount Rs. in Crores
I. Assets				
Receivables (Trade & other)	NA	-	-	-
Other Monetary assets	NA	-	-	-
Total Receivables (A)	NA	-	-	-
Hedges by derivative contracts (B)	NA	-	-	-
Unhedged receivables (C=A-B)	NA	-	-	-
II. Liabilities				
Payables (Trade & other)				
Borrowings (ECB and Others)	USD	-	-	-
Total Payables (D)	USD	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-
Unhedged Payables F=D-E)	USD	-	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	NA	-	-	-
Commitments	NA	-	-	-
Total (G)	NA	-	-	-
Hedges by derivative contracts (H)	NA	-	-	-
Unhedged Payables (I=G-H)	NA	-	-	-
Total unhedged FC Exposures (J=C+F+I)	NA	-	-	-



Indiabulls Commercial Credit Limited

Notes to the Reformatted Standalone Ind AS financial information

Note - 49 continued...

Disclosures in terms of Annex II of the RBI Directions, 2016:

Funding Concentration based on significant counterparty

S No	No. of significant counterparties	Amount	% of Total Deposits	% of Total Liabilities
1	11	6,868.26	NA	60.67%

Top 25 large Deposits

Not Applicable

Particulars	Amount*
Top 10 borrowings (Crores)	6,701.60
Top 10 borrowings [% of Total borrowings]	87.14%

* Represents contractual amount

Funding Concentration based on significant instrument/product

Name of the instrument/product	Amount	% of Total Liabilities
Term Loans from banks and Others	3,806.00	33.6%
Secured Non Convertible Debentures	2,192.77	19.4%
Loan from Holding Company	1,296.00	11.4%
Subordinated Debt	349.40	3.1%
Cash Credit (includes Securitisation and Lease Liability)	178.68	1.6%

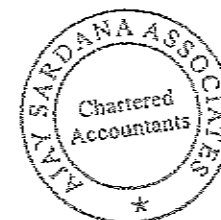
Stock Ratios:

CP as % of total public funds	0.00%
CP as % of total liabilities	0.00%
CP as % of total assets	0.00%
NCD (original maturity of less than 1 year) as % of total public funds	0.00%
NCD (original maturity of less than 1 year) as % of total liabilities	0.00%
NCD (original maturity of less than 1 year) as % of total assets	0.00%
Other short term liabilities as % of total public funds	46.08%
Other short term liabilities as % of total liabilities	31.31%
Other short term liabilities as % of total assets	22.33%

* Total Liabilities = Total Balance Sheet Size - Net Worth

Institutional set-up for liquidity risk management

The Company has constituted an Asset Liability Management Committee ('ALCO'), a sub-committee of the Board of Directors, to oversee ALM on an ongoing basis. The meetings of ALCO are held at periodic intervals for reviewing the specific risks relating to liquidity risk and interest rate sensitivity.



Disclosures in terms of Annex III of the RBI Directions, 2016 :

From	December 1, 2020	December 1, 2021	December 1, 2022	December 1, 2023	December 1, 2024
Minimum LCR	50%	60%	70%	85%	100%

LCR disclosure	Q4 FY 2020-21		Q3 FY 2020-21	
	Total Unweighted Value(Average)	Total Weighted Value(Average)	Total Unweighted Value(Average)	Total Weighted Value(Average)
High Quality Liquid Assets				
1. Total High Quality Liquid Assets (HQLA)	769.69	769.69	186.41	186.41
Cash in Hand and Bank balance	769.69	769.69	186.41	186.41
Cash Outflow				
2. Deposit for deposit taking companies	NA	NA	NA	NA
3. Unsecured wholesale funding	-	-	-	-
4. Secured wholesale funding	170.02	195.52	234.11	296.22
5. Additional Requirements, of which				
(i) Outflow related to derivative exposures and other collateral requirements	-	-	-	-
(ii) Outflow related to loss of funding on debt products	-	-	-	-
(iii) Credit and Liquidity facilities	-	-	-	-
6. Contractual funding Obligations	1,300.50	1,265.57	439.07	504.94
7. Other Contingent funding Obligations	-	-	-	-
8. Total Cash Outflow	1,270.52	1,461.09	673.18	774.16
Cash Inflows				
9. Secure Lending	-	-	-	-
10. Inflow from fully performing exposure	345.00	258.75	337.00	252.75
11. Other Cash inflows	620.72	465.54	607.40	455.55
12. Total Cash Inflows	965.72	724.29	944.40	708.30
		Total Adjusted value		Total Adjusted value
13. Total HQLA		769.69		186.41
14. Total Net cash outflow over next 30 days (Weighted value of total cash outflow- Minimum of weighted value of total cash inflows, 75% of weighted value of total cash outflow)		736.80		193.54
15. Liquidity Coverage Ratio			104.46%	96.32%

Notes:

1. Unweighted Values: Inflows and Outflows within 1 month are considered as per outstanding balances that mature in 1 month
2. Weighted values are calculated as per the applicable haircuts or stress factors

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.



Note - 50 (continued...)

Disclosures in terms of Annex III of the RBI Directions, 2016 ;

LCR disclosure	Q2 FY 2020-21		Q1 FY 2020-21			
	Total Value(average)	Unweighted Value(average)	Total Value(average)	Unweighted Value(average)	Total Value(average)	Weighted Value(average)
High Quality Liquid Assets						
1. Total High Quality Liquid Assets (HQLA)		530.33		530.33		969.73
Cash in Hand and Bank balance		530.33		530.33		969.73
Cash Outflow						
2. Deposit for deposit taking companies		NA		NA		NA
3. Unsecured wholesale funding		-		-		-
4. Secured wholesale funding		170.02		195.52		234.11
5. Additional Requirements, of which						
(i) Outflow related to derivative exposures and other collateral requirements		-		-		-
(ii) Outflow related to loss of funding on debt products		-		-		-
(iii) Credit and Liquidity facilities		-		-		-
6. Contractual funding Obligations		1,100.50		1,265.57		439.07
7. Other Contingent funding Obligations		-		-		-
8. Total Cash Outflow		1,270.52		1,461.09		673.18
Cash Inflows						
9. Secured Lending		-		-		-
10. Inflow from fully performing exposure		345.00		258.75		337.00
11. Other Cash inflows		620.72		465.54		607.40
12. Total Cash Inflows		965.72		724.29		944.40
13. Total HQLA			Total Adjusted value			Total Adjusted value
				530.33		969.73
14. Total Net cash outflow over next 30 days (Weighted value of total cash outflow- Minimum of weighted value of total cash inflows, 75% of weighted value of total cash outflow)				1,025.79		551.37
15. Liquidity Coverage Ratio				51.70%		175.88%

Notes:

1. Unweighted Values: Inflows and Outflows within 1 month are considered as per outstanding balances that mature in 1 month
2. Weighted values are calculated as per the applicable haircuts or stress factors

Note: In computing the above information certain estimates, assumptions and adjustments have been made by the Management for its regulatory submission which have been relied upon by the auditors.



Note - 51

Disclosure of Foreign Currency Exposures:-

Particulars	Foreign Currency	Year ended March 31, 2021		
		Exchange Rate	Amount in Foreign Currency	Amount Rs. in Crores
I. Assets				
Receivables (trade & other)	NA	-	-	-
Other Monetary assets	NA	-	-	-
Total Receivables (A)	NA	-	-	-
Hedges by derivative contracts (B)	NA	-	-	-
Unhedged receivables (C=A-B)	NA	-	-	-
II. Liabilities				
Payables (trade & other)				
Borrowings (ECB and Others)	USD	-	-	-
Total Payables (D)	USD	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-
Unhedged Payables F=D-E)	USD	-	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	NA	-	-	-
Commitments	NA	-	-	-
Total (G)	NA	-	-	-
Hedges by derivative contracts (H)	NA	-	-	-
Unhedged Payables (I=G-H)	NA	-	-	-
Total unhedged FC Exposures (J=C+F+I)	NA	-	-	-

Note: For the above disclosure, Interest accrued on borrowings at respective year end has not been considered

Particulars	Foreign Currency	Year ended March 31, 2020		
		Exchange Rate	Amount in Foreign Currency (USD)	Amount Rs. in Crores
I. Assets				
Receivables (trade & other)	NA	-	-	-
Other Monetary assets	NA	-	-	-
Total Receivables (A)	NA	-	-	-
Hedges by derivative contracts (B)	NA	-	-	-
Unhedged receivables (C=A-B)	NA	-	-	-
II. Liabilities				
Payables (trade & other)				
Borrowings (ECB and Others)	USD	-	-	-
Total Payables (D)	USD	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-
Unhedged Payables F=D-E)	USD	-	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	NA	-	-	-
Commitments	NA	-	-	-
Total (G)	NA	-	-	-
Hedges by derivative contracts (H)	NA	-	-	-
Unhedged Payables (I=G-H)	NA	-	-	-
Total unhedged FC Exposures (J=C+F+I)	NA	-	-	-



Note - 51 (continued...)

Particulars	Foreign Currency	Year ended March 31, 2019		
		Exchange Rate	Amount in Foreign Currency [USD]	Amount Rs. in Crores
I. Assets				
Receivables (trade & other)	NA	-	-	-
Other Monetary assets	NA	-	-	-
Total Receivables (A)	NA	-	-	-
Hedges by derivative contracts (B)	NA	-	-	-
Unhedged receivables (C=A-B)	NA	-	-	-
II. Liabilities				
Payables (trade & other)				
Borrowings (ECB and Others)	USD	-	-	-
Total Payables (D)	USD	-	-	-
Hedges by derivative contracts (E)	USD	-	-	-
Unhedged Payables F=D-E)	USD	-	-	-
III. Contingent Liabilities and Commitments				
Contingent Liabilities	NA	-	-	-
Commitments	NA	-	-	-
Total (G)	NA	-	-	-
Hedges by derivative contracts(H)	NA	-	-	-
Unhedged Payables (I=G-H)	NA	-	-	-
Total unhedged FC Exposures (J=C+F+I)	NA	-	-	-

Note - 52

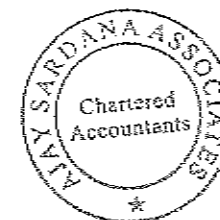
There are no borrowing costs to be capitalised as at March 31, 2021 (March 31, 2020: Rs. Nil, March 31, 2019 Rs. Nil).

Note - 53

In the opinion of the Board of Directors, all current assets, loans and advances appearing in the balance sheet as at March 31, 2021 have a value on realization in the ordinary course of the Company's business at least equal to the amount at which they are stated in the balance sheet and no provision is required to be made against the recoverability of these balances.

Note - 54

In respect of amounts as mentioned under Section 124 of the Companies Act, 2013, there were no dues required to be credited to the Investor Education and Protection Fund as on March 31, 2021 (March 31, 2020: Nil, March 31, 2019: Nil).



Notes to the Reformatted Standalone Ind AS financial information

Note - 55

In terms of Circular no. RBI/2014-15/458, DNBR(PD).CC.No 019/03 10.01/2014-15 dated February 06, 2015, every NBFC is required to become a member of all Credit Information Companies. As of the date of these financial statements, the Company has obtained the membership of Equifax Information Services Private Limited and CRIF High Mark Credit Information Services Private Limited, Experian Credit Information Company of India Private Limited and Credit Information Bureau (India) Limited.

Note - 56

The Company has complied with the RBI Directions, 2016 to the extent applicable.

Note - 57

Disclosure on Moratorium – COVID 19 Regulatory Package – Asset Classification And Provisioning pursuant to the Notification Vide: DOR.No.BP.BC.63/21.04.049/2019-20 dated April 17, 2020:

Particulars	Amount Rs. in crores		
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2019
(i) Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of above notification*	875.67	525.84	NA
(ii) Respective amount where asset classification benefits is extended*	619.52	165.14	NA
(iii) Provisions made in terms of paragraph 5 of the above notification	61.95	6.26	NA
(iv) Provisions adjusted during the respective accounting periods against slippages	-	-	NA
(v) residual provisions in terms of paragraph 6	61.95	-	NA

*excludes loan which is assigned or securitized by the Company

Disclosures of cases restructured under Resolution Framework for COVID-19-related Stress

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	-	-	-	-	-
Corporate persons*	1.00	11.65	-	5.66	1.69
Of which, MSMEs	-	-	-	-	-
Others	-	-	-	-	-
Total	1.00	11.65	-	5.66	1.69

Disclosure on refund of interest on interest amount : Pursuant to the Notification Vide: RB/2021-22/17 DOR-STR.REC.4/21.04.049/2021-22 dated April 7, 2021, company has refunded/adjusted amount of ₹ 15.17 Crs to its borrowers, which was initially charged as Interest on Interest amount during the moratorium Period of March 1, 2020 to August 31, 2020.



Indiabulls Commercial Credit Limited


Notes to the Reformatted Standalone Ind AS financial information

Note - 56

Prior period figures have been regrouped, wherever necessary, to conform to the current period presentation.

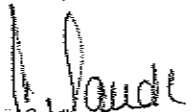
As per our report of even date

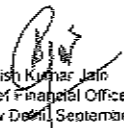
For Ajay Sardana Associates
Chartered Accountants
Firm Registration No.016827N

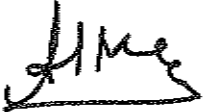

Rahul Mukhi
Partner
Membership No. 098719
New Delhi, September 14, 2021

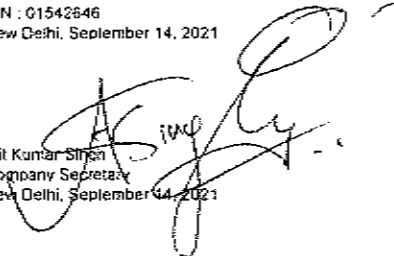


For and on behalf of the Board of Directors of
Indiabulls Commercial Credit Limited


Rajiv Gandhi
Managing Director
DIN : 09063965
Mumbai, September 14, 2021


Ashish Kumar Jain
Chief Financial Officer
New Delhi, September 14, 2021


Anil Malhan
Non Executive Director
DIN : 01542646
New Delhi, September 14, 2021


Ajit Kumar Singh
Company Secretary
New Delhi, September 14, 2021

ANNEXURE III

DETAILS OF PENDING LITIGATIONS

Our Company, Directors, Promoter, Subsidiary and our Group Companies are subject to various legal proceedings from time to time, mostly arising in the ordinary course of its business. The legal proceedings are initiated by us and also by customers and other parties. These legal proceedings are primarily in the nature of (a) consumer complaints, (b) petitions pending before appellate authorities, (c) criminal complaints, (d) civil suits and (e) tax matters. We believe that the number of proceedings in which we are involved in is not unusual for a company of our size in the context of doing business in India. Except as disclosed below, there is no outstanding litigation including, suits, criminal or civil prosecutions and taxation related proceedings against our Company, Subsidiary, Promoters, Directors and Group Companies that would have a material adverse effect on our operations or financial position.

As on the date of this Placement Memorandum, there are no failures or defaults to meet statutory dues, institutional dues and dues towards instrument holders including holders of debentures, and fixed deposits and etc., by our Company.

For the purpose of disclosures in this Placement Memorandum, our Company has considered the following litigation as 'material' litigation:

- *all pending proceedings whether civil, arbitral, tax related litigations, or otherwise (other than proceedings involving IHFL), of value exceeding 1% of our net worth as on March 31, 2021, i.e., more than ₹45.53 crores;*
- *all pending proceedings whether civil, arbitral, tax related litigations, or otherwise, of IHFL, of value exceeding 1% of the net worth of IHFL as on March 31, 2021, i.e., more than ₹155.22 crores; and*
- *any other outstanding legal proceeding which is likely to have a material adverse effect on the financial position, profitability and cash flows of our Company.*

Save as disclosed below, there are no:

1. *litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoter during the last three years immediately preceding the year of the issue of this Placement Memorandum and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action;*
2. *inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies' law in the last three years immediately preceding the year of issue of this Placement Memorandum against our Company (irrespective of whether any prosecutions were filed) and its Subsidiary; fines imposed or compounding of offences done by our Company and our Subsidiary in the last three years immediately preceding the year of this Placement Memorandum;*
3. *outstanding litigation involving our Company, our Promoter, Directors, Group Companies or any other person, whose outcome could have material adverse effect on the position of our Company; and*
4. *pending proceedings initiated against our Company for economic offences.*

I. Involving our Company

A. Civil cases

1. Three separate securitization applications under Section 17 of the SARFAESI Act have been filed by Adithya Developers (“**Borrower**”) before the Debts Recovery Tribunal, Bangalore challenging the measures taken by ICCL under Section 13(4) of the SARFAESI Act by way of taking over the possession of certain properties in respect of a loan. Borrowers have availed three loan facilities for ₹ 71,50,00,000, ₹ 48,50,00,000 and ₹ 96,72,467 respectively from ICCL. Borrowers have committed default in the repayment of loans, consequently, their loan accounts were classified as NPA and ICCL issued notices under Section 13(2) of SARFAESI Act. Borrower has alleged that no loan facility has been granted by ICCL and borrower has not given any security against the loan facilities. We have filed our reply and the matter is pending before the DRT for arguments on April 20, 2021. No relief has been granted by the DRT. Further, the Borrowers have filed a writ petition in High Court of Karnataka, High Court vide order dated March 2, 2021 has ordered that any auction done by ICCL will be subject to outcome of writ petition.
2. Our Company along with our Promoter, IHFL, had issued 11 recall notices to Bliss Abode Private Limited, Bliss Agri and Eco Private Limited, Bliss Habitat Private Limited, Imagine Estate Private Limited, Bliss Villa (Delhi) Private Limited, Bliss House Private Limited, Imagine Realty Private Limited, Imagine Residence Private Limited, Imagine Estate Private Limited, Imagine Habitat Private Limited and their respective co-borrowers and guarantors, each dated March 9, 2020 (“**Recall Notices**”), on account of occurrence of a material adverse event as contemplated under the relevant facility documents. These Recall Notices pertained to loan facilities wherein (i) Rana Kapoor and/or his relatives were guarantors; or (ii) Rana Kapoor was a co-borrower.

Subsequently, our Company and IHFL issued 21 notices under Section 13(2) of the SARFAESI Act (“**SARFAESI Notices**”), each dated June 18, 2020, to Bliss Villa (Delhi) Private Limited, Imagine Estate Private Limited, Imagine Residence Private Limited, Bliss Adobe Private Limited, Bliss House Private Limited, Imagine Residence Private Limited, Imagine Estate Private Limited, Imagine Homes Private Limited, Imagine Habitat Private Limited, Bliss Agri and Eco Tourism Private Limited, Bliss House Private Limited and their respective co-borrowers and guarantors, calling upon them to forthwith pay the outstanding amount aggregated across all individual SARFAESI Notices of ₹2,364.58 crores, along with tax deducted at source (“**TDS**”) with amount aggregating to ₹11.53 crores due as on the date of the SARFAESI Notices in accordance with their respective liabilities under the loan documents. The notices further state that in the event there is a default in payment of the outstanding amounts, IHFL, in its capacity as the financial creditor shall be entitled to take such steps as provided under Section 13(4) of the SARFAESI Act, which include, inter alia, taking possession and disposing of the secured assets as described in the SARFAESI Notices. IHFL has, through notices, each dated September 4, 2020, issued under Section 13(4) of the SARFAESI Act and newspaper publications on September 6, 2020 and September 7, 2020, taken symbolic possession of the secured asset(s) as described in the SARFAESI Notices.

Further, IHFL has filed seven applications under Section 9 of the Arbitration and Conciliation Act, 1996 (“**Section 9 Applications**”) in the High Court of Delhi, at New Delhi (“**Delhi High Court**”) against Bliss Abode Private Limited, Bliss Agri and Eco Tourism Private Limited, Bliss House Private Limited, Bliss (Villa) Delhi Private Limited, Imagine Habitat Private Limited, Bliss Habitat Private Limited, Imagine Realty Private Limited and their respective co-borrowers and guarantors (collectively, “**Respondents**”). Through its orders, each dated March 13, 2020, the Delhi High Court has, inter alia, restrained the Respondents from creating any encumbrance or lien or third-party rights on the secured assets. By its common order dated June 29, 2020, the Delhi High Court extended the operation of the interim orders, each dated March 13, 2020 and fixed the next date of hearing to September 3, 2020. Through its common order dated September 3, 2020, the Delhi High Court has disposed of the Sections 9 Applications and has ordered the Sections 9 Applications to be treated as applications made under Section 17 of the Arbitration and Conciliation Act, 1996 and same are to be filed before the sole arbitrator Justice Deepak Verma (retired). The operation of the orders dated March 13, 2020 has been extended till September 19, 2020. Further, the Delhi High Court has also ordered that the sole arbitrator Justice Deepak Verma (retired) may modify, continue or vary the operation of the orders dated March 13, 2020.

Further, IHFL also invoked the arbitration clause and initiated 10 arbitral proceedings before Justice

Deepak Verma (retired) as the sole arbitrator in each of the 10 arbitral proceedings. IHFL has filed its statement of claim against Imagine Estate Private Limited, Bliss Abode Private Limited, Bliss Agri and Eco Tourism Private Limited, Imagine Residence Private Limited, Bliss House Private Limited, Imagine Home Private Limited, Imagine Habitat Private Limited, Bliss Habitat Private Limited, Imagine Realty Private Limited, Bliss Villa (Delhi) Private Limited and their respective co-borrowers and guarantors (“**Respondents 1**”).

Additionally, our Company also invoked the arbitration clause and initiated arbitral proceedings against Image Estate Private Limited and others (“**Respondents 2**”) before Justice Deepak Verma (retired) as the sole arbitrator and has filed its statement of claim against Respondents 2. With the consent of all the parties involved, since the aforementioned 11 arbitral proceedings were identical in nature, by an order dated July 9, 2020 and July 11, 2020, these proceedings were consolidated with ‘Indiabulls Housing Finance Limited and Bliss Agri and Eco Tourism Private Limited’ being the ‘lead matter’. Respondents 1, Respondents 2 and Rana Kapoor have filed their statements of defense against our Company and IHFL, primarily claiming relaxation under the circulars issued by RBI on grant of moratorium and on that basis have challenged the loan recall notices. Additionally, Respondents 1 and Respondents 2 have made counter claims for, *inter alia* (i) an amount aggregating to ₹10 crores, respectively, in each of the 11 arbitration proceedings; (ii) award ₹245 crores, which was refunded by Indiabulls Infraestate Limited (“**IIL**”) to IHFL, in favour of Bliss Habitat Private Limited; and (iii) award ₹252.64 crores, which was refunded by IIL to IHFL, in favour of Imagine Realty Private Limited. In response to the statements of defense, our Company and IHFL have denied all allegations and categorically clarified that the benefit of moratorium is discretionary and cannot be claimed as a matter of right. These arbitration proceedings have been argued and the order has been reserved.

Additionally, Imagine Realty Private Limited and Bliss Habitat Private Limited have filed two applications for impleadment of IIL, as a party to the present arbitration on account of IIL being one of the hypothecators, mortgagor and developer of a part of the entire property mortgaged as security against the loans extended by IHFL, which loans are also the subject matter of the aforementioned arbitration proceedings. IHFL, through its responses have stated that there is no cause of action or final relief sought against IIL and accordingly it is not a necessary party to the arbitration proceedings.

Furthermore, in connection with ongoing investigation against Rana Kapoor, the Enforcement Directorate, Government of India, (“**ED**”) had issued a summons on March 24, 2020 to Rajiv Gandhi, one of IHFL’s senior management personnel, seeking details of, and certain documents in connection with the aforesaid loan facilities. Relevant documents and details as sought by the ED have been submitted by our IHFL.

3. The Enforcement Directorate (“ED”) filed an original complaint bearing no. 1327 of 2020 before the Ld. Adjudicating Authority under the Prevention of Money Laundering Act, 2002 (“PMLA”), New Delhi provisionally attached the properties of Khurshedabad, S.K. Barodawala Marg, Cumbala Hill, Mumbai-26 vide Provisional Attachment Order no. 04/2020 dated July 9, 2020 (“PAO”). ICCL filed an application for impleadment and reply / objection in the above said complaint, *inter alia* on the grounds that the property is mortgaged with our Company and we only hold a security interest over the property, no notice was ever issued to our Company and by virtue Section 26 C and E of SARFAESI Act, has prior right over the property attached. By an order dated April 8, 2021, the Adjudicating Authority under the PMLA (“Adjudicating Authority”) confirmed the PAO. In the writ petition filed by IHFL Hon’ble High Court of Delhi has ordered that status quo be maintained on the attached properties, which include Khurshedabad, S.K. Barodawala Marg, Cumbala Hill, Mumbai-26 till the appeal is taken up for consideration by the Appellate Tribunal, PMLA. ICCL has filed the appeal within the said stipulated time.

B. Consumer cases

Our Company has approximately five consumer complaints / appeals in which we are respondents. These primarily pertain to alleged deficiency in services. The issues involved in such complaints include, *inter alia*, forceful repossession of vehicles; sale of vehicles; non-issuance of no objection certificates and higher rate of interest and other charges.

C. Proceedings under Section 138 of Negotiable Instruments Act

Our Company, in the ordinary course of business, has filed complaints against various parties, including some of our customers under Section 138 of the Negotiable Instruments Act, 1881 in relation to dishonour of cheques.

II. Involving our Promoter

A. Civil cases

1. MMTC Limited (“**MMTC**”) has filed a company petition in the Company Law Board, Principal Bench, New Delhi (“**CLB, New Delhi**”) against Indiabulls Financial Services Limited (now merged into IHFL) (“**IFSL**”), Indian Commodity Exchange Limited (“**ICEL**”), and Reliance Exchange Next Limited (“**REL**”) (collectively, “**Respondents**”) on the grounds of oppression and mismanagement of ICEL. In its petition, MMTC has alleged that the transfer of 26% of the equity share capital of ICEL (“**ICEL Shares**”) held by IFSL in favour of REL was in violation of (i) the shareholders’ agreement dated February 12, 2009 (“**SHA**”) amongst IHFL, MMTC and REL (“**SHA Parties**”) which sets out the rights and obligations of the SHA Parties including the restrictions on transfer of the IECL Shares; (ii) the revised guidelines of the Forward Market Commission dated May 14, 2008 (“**FMC Guidelines**”); and (iii) the provisions of articles of association of ICEL. Through its petition, MMTC has prayed, inter alia, for (i) an interim injunction restraining the alienation of assets of ICEL and effect any change in the capital structure of ICEL; (ii) an order for reversal and declaration of the transfer of the IECL Shares to REL as null and void ab initio; (iii) declaration that the appointment of directors nominated by REL on the board of ICEL as invalid. Subsequently, IHFL filed an application under the provisions of the Company Law Board Regulations, 1991 in the CLB, New Delhi seeking dismissal of this petition primarily on the grounds that (i) the premise on which the allegations are based is misplaced; (ii) that MMTC deliberately withheld material facts; and (iii) that the petition fails to establish a case of oppression and mismanagement under the relevant provisions of the Companies Act, 1956. The matter is pending for arguments, and written arguments have been filed.
2. On August 8, 2012, Veritas Investment Research Corporation (“**Veritas**”) published a report co-authored by Neeraj Monga dated August 1, 2012 and titled “**Bilking India**” (“**Report**”). The Report was based on factually incorrect data pertaining to Indiabulls Real Estate Limited (“**IBREL**”) and Indiabulls Financial Services Limited (“**IFSL**”) (now merged into IHFL) (collectively, “**Indiabulls Group**”), and thereby adversely impacted the price of the publicly traded shares of IHFL. A criminal complaint dated August 8, 2012 was registered at the Police Station, Cyber Cell, Mumbai and a first information report was also registered by IBREL on August 8, 2012 at the Police Station, Udyog Vihar, Gurgaon against Veritas, Neeraj Monga and another stating, inter alia, that Neeraj Monga threatened to publish the Report if the Indiabulls Group failed to pay USD 50,000. Further, IHFL also published a press release on August 8, 2012, stating that the allegations made in the Report were factually incorrect and misleading. Subsequently, on August 5, 2014, Veritas and Neeraj Monga filed a claim in the Superior Court of Justice, Ontario, (“**SCJ, Ontario**”) against the Indiabulls Group claiming an aggregate of ₹1.10 crores Canadian Dollars as punitive damages on the grounds that the press release dated August 8, 2012 was false and defamatory. IHFL moved to the Delhi High Court seeking an anti-suit injunction against Veritas and the Court granted a stay order on October 27, 2014 restraining Veritas and the author from proceeding further with the claim before the Superior Court of Justice, Ontario and from initiating any fresh proceedings. IHFL also filed a petition before the Delhi High Court for contempt of Court against Veritas and the authors of the report for deliberately continuing the proceedings in Ontario disregarding the Delhi High Court’s order dated October 27, 2014 and also on account of the content of certain affidavits filed before the Superior Court of Justice, Ontario. Thereafter, by way of an order dated April 29, 2019, the Delhi High Court disposed of the two suits seeking anti-suit injunctions along with the contempt petitions and all other related applications. The contempt petitions were disposed of after Veritas, Neeraj Monga and Nitin Mangal undertook that they would not publish or request anyone to publish the contents of the affidavit except for use in judicial proceedings. The Division Bench of Delhi High Court has issued

notice on the appeals filed by IHFL, whereby orders dated April 29, 2019, passed by the Single Judge have been challenged.

Separately, IHFL has filed a motion before the Superior Court of Justice, Ontario challenging its territorial jurisdiction to entertain the claim filed by Veritas and Neeraj Monga and for that purpose has also relied upon the stay order passed by the Delhi High Court. On 19 May 2015, IHFL filed a suit against Veritas and Neeraj Monga before the Delhi High Court for damages amounting to ₹200 crores and future interest and a permanent injunction on circulating defamatory material against IHFL. Veritas and Neeraj Monga filed a motion before the Ontario Court seeking an anti-suit injunction against the suit for damages filed by IHFL before Delhi High Court. On October 2, 2015, Ontario Superior Court of Justice dismissed the motion filed by Veritas and the co-author. The order of dismissal of motion was followed by an order dated November 4, 2015, whereby the Ontario Court awarded cost of Canadian \$27,500 against Veritas and Neeraj Monga and in favour of IHFL.

3. Suryachakra Power Corporation Limited (“**SPCL**”) and others filed a writ petition in the High Court of Judicature Hyderabad for the State of Telangana and for the State of Andhra Pradesh (“**High Court of Andhra Pradesh**”) against IHFL and Indiabulls Infrastructure Credit Limited (“**IICL**”) and others, seeking directions to be issued to declare, inter alia that (i) IHFL does not have the authority to invoke the provisions of the SARFAESI Act against SPCL or the assets of Suryachakra Global Enviro Power Limited (“**SGEPL**”) and South Asian Agro Industries Limited (“**SAAIL**”); and (ii) the issue of notices of sale, each dated November 30, 2015 are arbitrary, illegal and without jurisdiction. By an order dated January 4, 2016, the High Court of Andhra Pradesh issued notice to IHFL, however, clarified that the sale conducted shall be subject to final adjudication of this writ petition.

IHFL had also initiated petitions against SGEPL and SAAIL, respectively in the High Court of Andhra Pradesh wherein by orders, each dated June 22, 2015, the High Court of Andhra Pradesh ordered winding-up of SGEPL and SAAIL and appointed an official liquidator. Through IHFL’s letters, each dated July 7, 2015, the official liquidator was notified that IHFL, being a secured creditor, is entitled to proceed with recovery of the amount outstanding from SGEPL and SAAIL in accordance with the provisions of SARFAESI Act and that further steps for sale of assets of SGEPL and SAAIL have been initiated. Subsequently, by separate sale notices, each dated November 30, 2015 addressed to (i) SGEPL, Bhuvana Engineering and Consultants Private Limited (“**BECPL**”) and their personal guarantors; and (ii) SAAIL, BECPL (erstwhile Ushayodaya Energy and Project Consultants Private Limited), SGEPL and its personal guarantors, IHFL’s Company notified that the process of e-auction has been initiated in accordance with the provisions of SARFAESI Act. In the meanwhile, the Industrial Development Bank of India (IDBI) filed two applications in the High Court of Andhra Pradesh seeking to stay the auction proceedings initiated by IHFL on the ground that if the official liquidator effects the sale of the properties belonging to SGEPL and SAAIL, then the proceeds can be utilized for clearing the dues of, inter alia the workers and creditors. The matter is yet to be listed. Upon completion of the auction process, the sale of property belonging to SGEPL was affected through sale deed dated June 8, 2017 and the sale of the property belonging to SAAIL was effected through sale deed dated May 24, 2017.

Further, S. M. Manepalli has filed a writ petition before the High Court of the State of Telangana at Hyderabad (“**Telangana High Court**”) against IHFL and the Official Liquidator for SGEPL seeking a direction in the nature of writ of mandamus declaring the inaction of Official Liquidator for SGEPL in making claims against IHFL as the custodian of SGEPL, thus causing damage to S.M Manepalli. The Telangana High Court, though an order dated March 31, 2021 issued notice to IHFL to show cause as to why the writ petition should not be admitted.

Additionally, IHFL issued notices, each dated March 19, 2018 addressed to S.M. Manepalli and Manepalli Sesavatharam in their capacity as personal guarantors for the loan facility availed by (i) SGEPL and BECPL; and (ii) SAAIL and BCEPL, for invocation of arbitration in accordance with the terms of the loan agreements, each dated March 30, 2012. IHFL has filed two statements of claim against BECPL, S.M. Manepalli and Manepalli Sesavatharam (collectively, “**Respondents**”) before the sole arbitrator Justice J.D. Kapoor (retired), claiming an aggregate amount of ₹119.40 crores and ₹122.34 crores, in connection with the loans extended to SGEPL and SAAIL, respectively. By orders, each dated

September 28, 2018, the sole arbitrator ordered for the proceedings to proceed ex-parte against BECPL and Manepalli Sesavatharam. S.M. Manepalli has filed the statements of defense each seeking to, inter alia (i) dismiss the claims made by IHFL; (ii) direct IHFL to deposit ₹57.19 crores and ₹61.67 crores with the official liquidator which as per the workings provided in the statement of defense in connection with loan extended to SAAIL and to SGEPL, respectively; and (iii) claim for exemplary cost of ₹50 crores for illegal invocation of personal guarantee in connection with loan extended to SGEPL and exemplary cost of ₹50 crores for illegal invocation of personal guarantee in connection with loan extended to SAAIL.

4. IHFL had extended certain financial facilities to Shree Ram Urban Infrastructure Limited (“**SRUIL**”) under loans aggregating to ₹915 crores sanctioned by IHFL which were duly secured inter alia by mortgage over SRUIL’s residential project named ‘Palais Royale’ being developed on land situated at Worli Estate, Lower Parel, Mumbai (“**Mortgaged Property**”). Consequent to defaults of SRUIL under such loans, IHFL, in its capacity of a financial creditor initiated corporate insolvency resolution proceedings against SRUIL in the National Company Law Tribunal, Bombay (“**NCLT, Bombay**”) under Section 7 of the Insolvency and Bankruptcy Code, 2016 (“**IBC Code**”). Through its order dated May 18, 2018 (“**NCLT Order**”), the NCLT, Bombay dismissed the petition on the grounds that a provisional liquidator had already been appointed by the High Court of Bombay in a company petition filed by a creditor of SRUIL namely Action Barter Pvt. Ltd. The NCLT Order was challenged in the National Company Law Appellate Tribunal, New Delhi (“**NCLAT**”) which was dismissed by an order dated May 30, 2018 (“**Impugned Order**”) on the grounds that a corporate insolvency resolution process cannot be initiated once an order for winding up has been made. IHFL has challenged the Impugned Order in the Supreme Court. The Hon’ble Supreme Court has admitted the appeal and issued notice thereon.

In the meantime, IHFL in exercise of its rights under the SARFAESI Act and with the express permission of the Hon’ble High Court of Bombay sold the mortgaged property under a public auction. The recovery action taken under the SARFAESI Act was challenged by the promoter and Ex-director of SRUIL in DRT which was dismissed. The order of DRT was challenged in an appeal filed by the promoter and Ex-director of SRUIL in DRAT which also got dismissed. The Provisional Liquidator of SRUIL was a party to the proceedings before DRT as well as DRAT. The Provisional Liquidator was also kept duly informed throughout the entire process of public auction sale conducted under the SARFAESI Act. However, the Provisional Liquidator has filed a report before the Hon’ble Bombay High Court being Official Liquidator’s Report dated November 5, 2019 (“**OLR**”) conveying his apprehensions on the sale value of the Mortgaged Property and alleging that IHFL did not consult the Provisional Liquidator prior to sale of the Mortgaged Property. The OLR is pending hearing before the Hon’ble Bombay High Court.

Separately, SREI Equipment Finance Limited had filed application before NCLT, Mumbai under Section 7 of IBC Code against SRUIL. The said application was allowed by NCLT and an Interim Resolution Professional (“**IRP**”) was appointed. While forming the committee of creditors (“**COC**”) of SRUIL, the IRP not only reduced the amounts claimed by IHFL but the home buyers of the already sold Mortgaged Property have also been included as members of the COC. Further, the claims of IHFL arising out of corporate guarantees issued by SRUIL with respect to the loans granted to few third party home buyers have also not been accepted by the IRP. IHFL has filed two applications in the matter before NCLT, Mumbai challenging reduction of IHFL’s claim amount and the other challenging inclusion of homebuyers of Palais Royale (Mortgaged Property) and other unsubstantiated creditors in the COC by the IRP. Notice on these applications have been issued by NCLT, Mumbai with directions that if any COC meeting and voting is held, no further action will be taken without the permission of NCLT. The applications are currently listed for arguments before NCLT, Mumbai. IHFL had earlier sold allotment rights with respect to forty-one (41) flats under SARFAESI Act to Honest Shelters Pvt. Ltd. Such allotment rights were mortgaged by various third party home buyer entities against loans availed by them. In an application filed by IRP against IHFL, Honest Shelters Pvt. Ltd., third party home buyer entities and others, NCLT has passed an order directing status quo ante (the order is not yet released / uploaded by NCLT).

IHFL has filed application under Section 95 of IBC against Vikas Kasliwal, who is a Personal Guarantor of borrowers of SRUIL. Notice has already been issued and the matter is listed on October 4, 2021 for further proceedings.

5. Anir Tech Park Private Limited (“**Anir**”) filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 in the High Court of Judicature at Madras (“**Madras High Court**”) against IHFL, Maavadi Soft Tech Ventures (India) Private Limited (“**Maavadi**”) and others seeking, inter alia to restrain IHFL from alienating, transferring or otherwise dealing with equity shares and assets of Maavadi which was placed as security against the loan facility extended by IHFL to Maavadi and True Value Homes (India) Private Limited for an amount aggregating to ₹441 crores. Through its order dated April 3, 2019, which was further clarified through order dated April 16, 2019 (“**Stay Order**”), the Madras High Court granted an injunction restraining IHFL from inter alia alienating shares or assets of Maavadi which had been pledged as security in favour of IHFL till May 1, 2019. The Madras High Court, through its order dated September 29, 2020, vacated the injunction imposed on IHFL under the Stay Order.

Additionally, Anir filed a suit in the XI Assistant City Civil Court, Chennai against IHFL, Maavadi and others seeking to inter alia restrain IHFL from creating third party rights encumbering or otherwise dealing with the property to the extent of 38,225 square feet secured by way of deed of hypothecation and a declaration that the alleged hypothecation as null and void.

6. Bliss House Private Limited (“**BHPL**”), Imagine Habitat Private Limited (“**IHPL**”), Imagine Residence Private Limited (“**IRPL**”) and Bliss Agri and Eco Tourism (“**BAE**”) (collectively, “**Applicants**”) have in connection with three loans aggregating to ₹190 crores extended by IHFL filed a securitisation application before the Debt Recovery Tribunal-II, Delhi (“**DRT, Delhi**”) seeking to, inter alia, set aside and quash the second notice of sale dated October 30, 2020 (“**Second Notice of Sale**”) pertaining to 50% of the property situated at plot no. 20, Sardar Patel Marg, New Delhi (“**Property**”) for recovery of an amount aggregating to ₹255.43 crores and amount pending tax deduction at source aggregating to ₹2.09 crores and further sought for interim relief to inter alia (i) restrain IHFL from conducting the online auction on November 18, 2020. IHFL has filed its reply dated December 22, 2020 and the Applicants have filed a rejoinder dated January 17, 2021.

As the online auction on November 18, 2020 failed, IHFL issued a third notice of sale dated November 20, 2020 pertaining to the Property (“**Third Notice of Sale**”) with the proposed date of the online auction on December 9, 2020. Aggrieved by the Third Notice of Sale, the Applicants filed another securitisation application before the DRT, Delhi seeking to, inter alia, set aside and quash the Third Notice of Sale and further sought for interim relief to inter alia restrain IHFL from conducting the online auction on December 9, 2020. IHFL through its reply dated January 4, 2021 has denied all averments of the Applicants on the grounds inter alia that the challenge to the notice of sale is not maintainable. The Applicants have further filed their rejoinder on January 18, 2021. The DRT Delhi through its order dated January 28, 2021 held that the sale of the Property shall be subject to final result of the securitisation application. The matters are listed for arguments on October 29, 2021.

7. Bliss Villa Private Limited (“**BVPL**”) has in connection with three loans extended by IHFL aggregating to ₹195.0 crores, filed a securitisation application before the Debt Recovery Tribunal-II, Delhi (“**DRT, Delhi**”) seeking to, inter alia, set aside and quash the second notice of sale dated October 30, 2020 (“**Second Notice of Sale**”) pertaining to the property situated at plot no. 48, Kautilya Marg, New Delhi (“**Property**”) for recovery of an amount aggregating to ₹224.26 crores and pending deduction amount at source aggregating to ₹1.41 crores and further sought for interim relief to inter alia (i) restrain IHFL from conducting the online auction on November 18, 2020. IHFL through its reply dated December 22, 2020 denied all the averments of the Applicants.

As the online auction on November 18, 2020 failed, IHFL issued a third notice of sale dated November 20, 2020 pertaining to the Property (“**Third Notice of Sale**”) with the proposed date of the online auction on December 9, 2020. Aggrieved by the Third Notice of Sale, the Applicants filed another securitisation application before the DRT, Delhi seeking to, inter alia, set aside and quash the Third Notice of Sale and further sought for interim relief to inter alia restrain IHFL from conducting the online auction on December 9, 2020. IHFL through its reply dated January 4, 2021 has denied all averments of the Applicants on the grounds inter alia that the challenge to the notice of sale is not maintainable. BVPL further filed its rejoinder on January 18, 2021. The DRT Delhi through its order dated January 28, 2021 held that the sale of the Property shall be subject to final result of the securitisation application. The

matters are listed for arguments on October 29, 2021.

8. IHFL filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 (“**Section 9 Application**”) in the High Court of Delhi at New Delhi (“**Delhi High Court**”) against Orbit Enterprises and others (“**Borrowers**”) seeking, inter alia, directions restraining the Borrowers from creating third party rights over the assets placed as security against the loan facility extended (“**Secured Assets**”). Through its order dated September 6, 2019, the Delhi High Court granted interim relief by, inter alia, restraining the Borrowers from creating third party rights over the Secured Assets. Subsequently, IHFL invoked the arbitration clause and appointed Justice Manmohan Singh (retired) as the sole arbitrator (“**Sole Arbitrator**”). Through its order dated October 23, 2019, the Delhi High Court disposed of the Section 9 Application and the interim relief granted in the order dated September 6, 2019 was extended until the application under Section 17 of the Arbitration and Conciliation Act, 1996 is taken up for hearing. IHFL under Section 17 of the Arbitration and Conciliation Act, 1996 for, inter alia, (i) restraining Orbit Enterprises from creating any third party rights / interests over the properties furnished as security for securing the facility availed by it; and (ii) direction to deposit ₹162.79 crores or alternatively provide a bank guarantee of a nationalized bank for an equivalent sum. IHFL has also filed its statement of claim against Orbit Enterprises Navnit Infra Project Private Limited, Rajen Dhruv and Hiren Dhruv (collectively “**Respondents**”) before the Sole Arbitrator seeking an award for a sum aggregating to ₹91.14 crores. Through an order dated August 8, 2020, the sole arbitrator directed that the Respondents have proceeded ex-parte and their right to file statement of defence is struck off. Respondents filed an application for making payment in terms of the repayment schedule proposed by the Arbitrator who has passed an interim award dated January 12, 2021 in favor of IHFL directing the respondents to make payment in terms of the repayment plan proposed by the Respondents. Once the entire agreed amount is paid or default is made in terms of the award, the final award shall be passed after hearing both parties.

9. IHFL had subscribed to Additional Tier I bonds (“**AT-1 Bonds**”) which were issued by Yes Bank Ltd (“**Yes Bank**”). On noticing material misrepresentations, incorrect disclosures, significant deviations in reporting critical financial figures, management willfully misguiding stakeholders, facts and figures having been artificially and intentionally manipulated by Yes Bank, IHFL issued notice to Yes Bank calling upon it to redeem the AR-1 Bonds along with accrued interest. However, before any action could be taken by Yes Bank on such notice, Reserve Bank of India (“**RBI**”) notified the ‘Yes Bank Limited Reconstruction Scheme, 2020’ (“**Scheme**”). Although the Scheme notified by RBI did not provide for writing off AT-1 Bonds, the RBI appointed administrator through notification dated March 14, 2020 issued by Yes Bank wrote-off the entire AT-1 Bonds (“**Impugned Action**”). IHFL has filed a writ petition in its capacity as a debenture holder in the High Court of Judicature at Bombay (“**Bombay High Court**”) against Union of India through Ministry of Finance, Banking Division, Department of Financial Services (“**MoF**”), RBI, Yes Bank and others (collectively “**Respondents**”) challenging the Impugned Action. The petition was filed on the grounds, inter alia, that the Impugned Action is contrary to law, and the Scheme and that IHFL had by its earlier letter dated March 3, 2020, called upon Yes Bank to (i) redeem the AT-1 Bonds and repay the outstanding amount due to IHFL; and (ii) not initiate any action in relation to write-off of the AT-1 Bonds, prior to imposition of moratorium and publication of the Scheme in the Official Gazette of India on March 5, 2020 and March 13, 2020, respectively, by the MoF. IHFL also submitted that unless a stay is granted on the operation of the Impugned Action, this petition shall become infructuous resulting in grave and irreparable loss to IHFL to the tune of ₹662 crores. Through its order dated March 16, 2020 and March 18, 2020, the Bombay High Court directed that all steps taken by the Respondents shall be subject to further orders of the Bombay High Court. RBI, through its affidavit dated July 21, 2020 sought for dismissal of the writ petition on the grounds that subscription to the AT-1 Bonds only creates a contractual obligation between Yes Bank and the subscribers of AT-1 Bonds and that the Impugned Action is in accordance with the law and the offering documents pertaining to the AT-1 Bonds.

Further, Axis Trustee Services Limited, in its capacity as the debenture trustee acting on behalf of the debenture holders, has also filed a writ petition against MoF, RBI, Yes Bank, Prashant Kumar (in his capacity as administrator of Yes Bank) and National Securities Depositories Limited (collectively “**Respondents 2**”) seeking to, inter alia, (i) set aside the notification dated March 14, 2020 writing off

the AT-1 Bonds; and (ii) restrain the Respondents 2 from acting in furtherance of the Impugned Action.

10. IHFL sold the mortgaged properties in the loan accounts under SARFAESI Act and to recover the remaining amount has initiated arbitration proceedings. IHFL commenced five separate arbitration proceedings in the loan accounts of RHC Holdings Private Limited (“**RHPL**”). Out of which, three arbitration proceedings are pending before Justice R.B. Misra (Retd) and two arbitration proceedings are pending before Justice RC Chopra (Retd.). IHFL has filed five separate applications under Section 17 of the Arbitration and Conciliation Act, 1996, and Ld. Arbitrator(s) have passed orders restraining respondents from disposing off their movable and immovable assets. RHPL has been proceeded ex-parte in all the five arbitration proceedings. Malvinder Mohan Singh and R.S. Infrastructure Limited (“**RSIL**”) who are respondents in the arbitrations pending before Justice Chopra have been proceeded ex- parte as well. IHFL has filed claims in all the five arbitrations. In the three arbitrations pending before Justice R.B. Mishra, IHFL has filed a claim for amount of ₹2.05 crores and in two arbitration proceedings before Justice Chopra claim of ₹345.17 crores have been filed. Additionally, IHFL has filed two applications in the Delhi High Court (i) first, seeking to be impleaded in the execution proceedings initiated by Daiichi Sankyo Company Limited (“**Daiichi**”) for execution of the award dated December 17, 2018 (“**Award**”) against Malvinder Mohan Singh and others; and (ii) second, to bring on records that one of the assets forming a part of the Award is mortgaged in favour of IHFL against loan facility extended to RCH Holdings Private Limited and that it is proceeding under the SARFAESI Act for recovery of its dues. By a common order dated January 24, 2019, the Delhi High Court directed for notice to be issued to Daiichi and directed Daiichi to file its reply on the next date of hearing listed September 20, 2021.

Modland Wears Private Limited (“**MWPL**”), mortgagor of the property House No. 40 Old Plot No 36 sector 4 Chandigarh has also filed a Securitisation Application before the Debts Recovery Tribunal, Chandigarh (“**DRT Chandigarh**”) against IHFL and R.S. Infrastructure Limited challenging, inter alia, (i) the order dated September 24, 2018 passed by the District Magistrate Cum Deputy Commissioner of Union Territory of Chandigarh under Section 14 of the SARFAESI Act, for dispossession from the property; and (ii) sale notice dated March 18, 2019 and notice of symbolic possession dated April 11, 2019. However, the property in question was sold in the auction conducted by IHFL and subsequently certificate of sale dated May 6, 2019 was issued by IHFL. Accordingly, the securitisation application has become infructuous. Matter is currently pending and listed on September 17, 2021.

11. IHFL has filed a suit for defamation in the High Court of Delhi at New Delhi (“**Delhi High Court**”) against Twitter International Company, Facebook Inc., Prashant Bhushan and Instagram Inc. on the grounds of nefarious, frivolous and malicious remarks regarding dereliction of processes in extending loans by Yes Bank to IHFL being made on social media platforms by Prashant Bhushan have caused harm to the reputation of IHFL. IHFL has prayed for, inter alia, payment of damages to the tune of ₹100 crores, restraining Prashant Bhushan from publishing or disseminating information pertaining to IHFL and its management and permanent injunction directing Twitter, Facebook Inc. and Instagram to remove the messages concerting us. Through its order dated March 18, 2020, the Delhi High court issued summons to the Defendants and granted interim injunction restraining Prashant Bhushan from tweeting or re-tweeting certain facts pertaining to Yes Bank until next hearing and directed Twitter International Company, Facebook Inc. and Instagram Inc. to takedown / expunge the tweets in relation to the said matter. Further, by an order dated June 8, 2020, the Delhi High Court directed that the name of Twitter International Company be substituted with Twitter Inc. (“**Twitter**”) and further directed IHFL to provide details of the URLs of tweets and re-tweets sought to be pulled down pursuant to which Twitter shall pull down the tweets and re-tweets within 72 hours of receipt of details from IHFL. By an email dated June 19, 2020, IHFL submitted the details of the URLs. Prashant Bhushan and Twitter have filed their respective written statements. Prashant Bhushan has filed an application for the ex-parte stay order dated March 18, 2020 to be vacated or set aside to the extent it injuncts him from tweeting and re-tweeting facts stated in his tweets dated March 6, March 12 and March 13, 2020. Twitter has submitted that it has no role as it is an intermediary in terms of the Information Technology Act, 2000 (“**IT Act**”) and accordingly, has sought for its name to be deleted from array of parties. By an order dated June 24, 2020, the Delhi High Court directed IHFL to file a reply indicating the URL and posts sought to be removed from Facebook and Instagram within a week which was submitted by IHFL. The Delhi High Court through its suo motu order dated July 13, 2020 has extended the operation of interim orders which were

in subsistence as on March 16, 2020 until August 31, 2020. Instagram LLC has filed two applications (i) one, seeking to, inter alia, delete its name from the array of parties on the grounds that it is neither a necessary party nor proper party for adjudication as it does not operate or control the Instagram services and has denied all averments made in the suit for defamation; (ii) second, to inter alia vacate / set aside the ex-parte interim order dated March 18, 2020 and any other subsequent extension orders of the Delhi High Court. Further, Facebook, Inc. has submitted its written statement and sought for dismissal of the suit including the plaint and interim application against Facebook Inc. with exemplary cost on the grounds that Facebook Inc. is an intermediary under the provisions of IT Act and therefore immune from liability and that it does not have an obligation to proactively monitor Facebook and Instagram services under the IT Act. The matter is currently listed for hearing on September 17, 2021.

12. IHFL filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 (“Section 9 Proceedings”) in the High Court of Delhi at New Delhi (“Delhi High Court”) against Subhash Chandra in his capacity as the guarantor, Gnex Projects Private Limited (“Gnex”) and others (collectively, “Respondents”) seeking to, inter alia, (i) restrain the Respondents from selling, disposing of or in any way altering the nature of the security provided by them to secure the loans extended to Gnex and certain other Respondents during the pendency of the arbitration proceedings; (ii) Restrain Subhash Chandra from selling, disposing of his personal assets both movable and immovable during the pendency of the arbitration proceedings; and (iii) secure a sum of ₹461.83 crores in favour of IHFL. By an order dated May 1, 2019, the Delhi High Court restrained the Respondents from disposing of the securities provided by them against the four facilities extended by IHFL aggregating to ₹726 crores (“Loans”) and directed that the details of the personal assets be submitted in form of an affidavit in a sealed cover within two weeks. Another application was made in the Delhi High Court seeking to, inter alia, (i) restrain Subhash Chandra from disposing of his assets during the pendency of the arbitration proceedings, (ii) direct the Respondents to deposit ₹150 crores in accordance with the undertaking dated November 29, 2018; and (iii) Restrain Subhash Chandra and Cyquator Media Services Private Limited from sale of equity stake in Zee Entertainment Enterprises Limited. In its order dated June 3, 2019, the Delhi High Court provided, inter alia, that the Respondents had undertaken to not dispose of the property situated in Jhajjar and Hyderabad which form part of security created to secure the Loans, without the permission of the court. On August 8, 2019, the Delhi High Court disposed of the Section 9 Proceedings and clarified that the orders dated May 1, 2019 and 3 June 2019 shall continue to operate until the arbitral tribunal is constituted, after which the parties shall be at liberty to approach the tribunal for modification / variation of the two orders. Pursuant to issuance of notice for invocation of arbitration, Justice Badar Dures Ahmed (retired) was appointed as a sole arbitrator (“Sole Arbitrator”) and IHFL initiated arbitration proceedings, against Subhash Chandra in his capacity as the guarantor, seeking, inter alia, an award for a sum of ₹474.67 crores with interest. Subhash Chandra filed his statement of defence seeking to dismiss the claims made by IHFL. Further, IHFL filed an application under Section 17 before the Sole Arbitrator seeking to, inter alia, restrain Subhash Chandra, from alienating their assets and/or the securities provided to secure the Loans. The Sole Arbitrator through an order dated August 28, 2019 has, inter alia, restrained Subhash Chandra from disposing of the unencumbered shares held by him, directly and indirectly, in Zee Entertainment Enterprises Limited and restrained him from creating third party rights on the assets / properties specified by way of an affidavit pursuant to the order dated May 1, 2019. On July 10, 2021 applications under Sections 17 and 19(4) of Arbitration and Conciliation Act, 1996 were argued. IHFL also argued the applications by which IHFL have sought disclosure of Subhash Chandra’s shareholding in ZEEL and furnishing of copy of Subhash Chandra’s affidavit of assets (currently in sealed cover) to us. The tribunal has reserved orders on the applications. The matter is listed on October 8, 2021. The operation of the interim order was further extended by an order dated October 6, 2019 until December 3, 2019. Further, in the order dated June 10, 2020, the parties submitted that settlement talks are ongoing. The Sole Arbitrator held that in the event no settlement is reached at, the arbitration shall be proceeded with. By an order dated August 19, 2020, the Sole Arbitrator adjourned the matter to September 16, 2020.

IHFL has separately initiated arbitral proceedings before the Sole Arbitrator against the Gnex and others seeking, *inter alia*, an award for a sum of ₹474.67 crores with interest. Further, IHFL filed an applications under Section 17 of the Arbitration and Conciliation Act, 1996, before the Sole Arbitrator seeking to, *inter alia*, (i) directions to deposit ₹474.67 crores or alternatively provide a bank guarantee of a

nationalized bank for an equivalent sum; and (ii) restrain Gnex and other respondents from alienating their assets and/or the securities provided to sure the Loans; and (iii) restraining Cyquator Media Services Private Limited from executing any documents in respect of sale / encumbrance / alienation of its direct and indirect stake in Zee Entertainment Enterprises Limited. Certain respondents have challenged the jurisdiction of the Sole Arbitrator to conduct the arbitral proceeding, through an application filed before the Sole Arbitrator under Section 16 of the Arbitration and Conciliation Act, 1996. The matter has been listed on September 24, 2021 for arguments on applications filed under Section 16 of the Arbitration and Conciliation Act, 1996.

13. IHFL has granted loans for an amount of ₹283 crores under two separate loan agreements to Raghuleela Infraventures Private Limited (“**RIPL**”) On account of the default by RIPL, IHFL has recalled the loans vide two separate loan recall notices dated March 9, 2020 and has invoked the personal guarantees as well. IHFL has filed a petition under Section 7 of IBC before NCLT, Mumbai against RIPL. Arguments on the application have been heard and order has been reserved.

Further, IHFL has filed two separate applications under Section 95 IBC before the NCLT Mumbai against Mr. Sanjay Chhabria and Mrs. Ritu Chhabria respectively.

IHFL has also filed an application under Section 9 of the Arbitration and Conciliation Act, 1996 (“**Section 9 Application**”) in the Delhi High Court (“**Court**”) against Raghuleela Infraventures Private Limited, Radius and Deserve Builders LLP, Sanjay Chhabria and Ritu Chhabria (“**Respondents**”) seeking direction to restrain the respondents from alienating and/or selling and/or transferring and/or creating third party rights in the mortgaged properties and deposit the outstanding amount before the Registrar General of the Court. The Court has ordered status quo and directed that no third party interest would be created in respect thereof without leave of the Court. IHFL has issued notice of invocation of arbitration. The matter is currently listed for hearing on October 22, 2021.

14. Citizens Whistle Blower Forum (“**CWBF**”) filed a writ petition in public interest (“**PIL**”) before the High Court of Delhi at New Delhi (“**Delhi High Court**”) against IHFL, Sameer Gehlaut, Union of India through its Secretary of Ministry of Finance and Ministry of Corporate Affairs (“**MCA**”), National Housing Bank, Reserve Bank of India, Registrar of Companies – Kolkata, Serious Fraud Investigation Office (“**SFIO**”) and Securities and Exchange Board of India, seeking direction for investigation by government authorities into alleged violations by our Promoter and alleged irregularities pertaining to facilities extended by IHFL to five borrower groups. IHFL filed two applications in the Delhi High Court, being (i) an application dated September 27, 2019 seeking, inter alia, dismissal of the writ petition and imposition of exemplary costs; and (ii) an application dated September 27, 2019 under Section 340 of the CrPC seeking prosecution against Prashant Bhushan, the deponent of the PIL, for having made false statements on oath. A common reply dated October 22, 2019 (“**Common Reply**”) was filed by Prashant Bhushan on behalf of CWBF denying the averments made in the two applications made by IHFL and raising further allegations against IHFL. Through its rejoinder dated October 23, 2019, IHFL denied all further allegations made in the Common Reply.

Subsequently, MCA through its interim affidavit dated October 22, 2019 and additional affidavit dated November 28, 2019 stated that pursuant to the inspection of the books of accounts of IHFL, the MCA had received the inspection report on November 15, 2019 which provided that out of facilities extended to the five borrower groups being the subject matter of the PIL, three loans were repaid and the remaining two loans were reported to be “Standard Accounts”. Additionally, RBI submitted a counter affidavit dated February 26, 2020 in the PIL to place on record certain facts relevant to RBI. In its counter affidavit, RBI has not made any statement that violations have been committed by IHFL. Further, based on facts referred in the counter affidavit, RBI has submitted that the PIL is not maintainable either on facts or on law against RBI and hence liable to be dismissed as such. Further, through its counter affidavit dated January 6, 2020, SEBI submitted that prima facie, there appears to be no allegations of non-compliance, if any, of the provisions of Securities and Exchange Board of India Act, 1992 or any rules and regulations made thereunder. SEBI also requested for it to be deleted from the array of parties as it was not the proper and necessary party to the proceedings. By an order dated February 28, 2020, the Delhi High Court granted four weeks time to NHB, the Registrar of Companies, Kolkata and SFIO to file their counter affidavits and the counsel for Union of India sought time to take instructions. Through an office order dated July 22, 2021, the Delhi High Court re-notified and listed the matter on September 15, 2021 on

account of the functioning of courts being suspended due to the lockdown. The matter is currently pending.

15. Four separate petitions under section 9 of the Arbitration and Conciliation Act, 1996 (“**Arbitration Act**”), were filed by Kadam Developers Private Limited (“**KDPL**”), Shipra Leasing Private Limited (“**SLPL**”), Shipra Estate Private Limited (“**SEL**”) and Shipra Hotels Limited (“**SHL**” along with KDPL, SLPL and SEL, the “**Shipra Group Companies**”) against IHFL in the High Court of Delhi at New Delhi (“**Delhi high Court**” and such petitions collectively, “**Section 9 Petitions – I**”) seeking interim relief to restrain IHFL from *inter alia* (i) transferring/selling/alienating or otherwise parting with the shares pledged by Shipra Group Companies in favour of IHFL; (ii) taking any action to give effect to notice dated January 14, 2021 invoking the shares pledged in favour of IHFL in relation to loans extended to SLPL, SEL and SHL (“**Loans**”). Subsequently, IHFL issued a notice dated April 16, 2021 to the Shipra Group Companies, Mohit Singh and others informing them that IHFL will proceed with the sale of the pledged shares. Consequently, the Shipra Group Companies, filed second set of four separate petitions under Section 9 of the Arbitration Act in the Delhi High Court (“**Section 9 Petitions – II**”) against IHFL and others (as proforma parties) seeking interim relief to restrain IHFL from *inter alia* (i) transferring/selling/alienating or otherwise parting with any “security” including post-dated cheques provided in favour of IHFL; and (ii) taking any action to give effect to notice dated January 14, 2021 invoking the shares pledged in favour of IHFL and/or notice dated April 16, 2021 for sale of pledged shares, in relation to loans extended to SLPL, SEL and SHL. Through an order dated May 20, 2021 (“**Impugned Order**”), the Delhi High Court dismissed both the Section 9 Petitions – I and Section 9 Petitions – II. Aggrieved by the Impugned Order, SEL, KDPL and SLPL have preferred an appeal in the Delhi High Court.

Additionally, Mohit Singh filed a petition under Section 9 of the Arbitration Act in the Delhi High Court Against IHFL and others (as proforma parties) seeking interim relief to restrain IHFL from *inter alia* (i) from acting in furtherance of the notice dated July 3, 2021 by way of which the shares held by SEL in KDPL have been sold to Creative Souls Technology India Limited; and (ii) to maintain status quo in relation to shares of KDPL as on May 30, 2021. After hearing arguments on August 16, 2021, court has reserved orders.

DLF Home Developers Limited has also filed a petition under Section 9 of the Arbitration Act in the Delhi High Court against IHFL, SEL, KDPL, Mohit Singh (“Respondents”) and Yamuna Expressway Industrial Development Authority seeking interim relief to restrain the Respondents from, *inter alia*, (i) selling/transferring/alienating rights or interest directly or indirectly in land situated at Sector 128, Noida (“Property”); and (ii) attempting or giving effect to illegal termination or revocation of agreement to sell the Property dated May 30, 2021, including unilateral termination notice dated June 26, 2021, issued by IHFL. After hearing arguments on July 26, 2021, court has reserved orders.

Additionally, three separate Petitions under Section 9 of the Arbitration and Conciliation Act have been filed by SEL, SLPL and KDP L against IHFL before the High Court of Delhi. The High Court has directed the parties to maintain status quo with respect to the property owned by KDPL. In the petition filed by SEL the High Court vide order dated 19.07.2021 has directed the parties to maintain status quo as to the shares of KDPL and further directed that none of the parties shall exercise any rights in respect of the said shares. After hearing arguments on August 16, 2021, court has reserved orders.

KDPL, SEL, SHL and SLPL have filed four separate Petitions under Section 11 of the Arbitration and Conciliation Act for appointment of the arbitrator. and through a common order dated August 17, 2021, the Delhi High Court has appointed Justice Vikramajit Sen (retired) as the sole arbitrator. Additionally, DLF Home Developers Limited has have filed Petition under Section 11 of the Arbitration and Conciliation Act for appointment of the arbitrator through an order dated August 12, 2021, the Delhi High Court Justice Pankaj Jaiswal (retired) as the sole arbitrator to adjudicate the matter.

IHFL has filed two separate applications under Section 7 of Insolvency and Bankruptcy Code, 2016 (“IBC”) against SLPL and SEL in the National Company Law Tribunal, New Delhi (“NCLT, Delhi”) seeking to initiate corporate insolvency resolution process against SLPL and (ii) SEL. The NCLT, Delhi through orders dated August 12, 2021 and July 9, 2021 has directed SLPL and SEL, respectively, to file their replies. IHFL has also filed an application under Section 7 of IBC against SHL in the National

Company Law Tribunal, Allahabad Bench (“NCLT, Allahabad”) seeking to initiate corporate insolvency resolution process against SHL. The NCLT, Allahabad through its order dated July 20, 2021 has issued notice to SHL. Additionally, IHFL has filed a petition under Section 95 of IBC in NCLT, Delhi, seeking to initiate corporate insolvency resolution process against Mohit Singh in his capacity as the personal guarantor for loans granted to SEL. The matter has been adjourned to September 29, 2021.

16. IHFL had initiated 10 arbitral proceedings before Justice Deepak Verma (retired) as the sole arbitrator in each of the 10 arbitral proceedings and filed its statements of claim against Imagine Estate Private Limited, Bliss Abode Private Limited, Bliss Agri and Eco Tourism Private Limited, Imagine Residence Private Limited, Bliss House Private Limited, Imagine Homes Private Limited, Imagine Habitat Private Limited, Bliss Habitat Private Limited, Imagine Realty Private Limited, Bliss Villa (Delhi) Private Limited and their respective co- borrowers and guarantors (“**Respondents 1**”).

Additionally, our Company initiated arbitral proceedings against Imagine Estate Private Limited and others (“**Respondents 2**”) before Justice Deepak Verma (retired) as the sole arbitrator and filed its statement of claim against Respondents 2.

With the consent of all the parties involved, since the aforementioned 11 arbitral proceedings were identical in nature, by an order dated July 9, 2020 and July 11, 2020, these proceedings were consolidated with ‘Indiabulls Housing Finance Limited and Bliss Agri and Eco Tourism Private Limited’ being the ‘lead matter’.

Respondents 1, Respondents 2, and Rana Kapoor filed their statements of defense against our Company and IHFL, primarily claiming relaxation under the circulars issued by RBI on grant of moratorium and on that basis have challenged the loan recall notices. Further, Respondents 1 and Respondents 2 filed counter claims for, inter alia (i) an amount aggregating to ₹10 crores, respectively, in each of the 11 arbitration proceedings; (ii) award ₹245 crores, which was refunded by Indiabulls Infraestate Limited (“**IIL**”) to IHFL, in favour of Bliss Habitat Private Limited; and (iii) award ₹252.64 crores, which was refunded by IIL to our Company, in favour of Imagine Realty Private Limited. In response to the statements of defense, our Company and IHFL have denied all allegations and categorically clarified that the benefit of moratorium is discretionary and cannot be claimed as a matter of right.

Bliss Habitat Private Limited filed an application before Justice Deepak Verma for clubbing of the arbitral proceedings initiated against it by IHFL with the arbitral proceedings captioned “Bliss Habitat Private Limited v. Indiabulls Infraestate Limited” and another application seeking to implead IIL as a party to the arbitral proceedings initiated against it by IHFL. Similarly, Imagine Realty Private Limited has filed an application for clubbing of the arbitral proceedings initiated against it by IHFL with the arbitral proceedings captioned “Imagine Realty Private Limited v. Indiabulls Infraestate Limited”. IHFL in its response has prayed for dismissal of both the applications for clubbing of the matters.

B. Consumer cases

IHFL has approximately 294 consumer complaints / appeals in which we are respondents. These primarily pertain to alleged deficiency in service and there are some proceedings in which we are *pro forma* parties. The issues involved in such complaints include, *inter alia*, charging allegedly foreclosure charges / pre-payment penalty, excessive interest rate, unilateral increase in tenure, declaration of account as NPA, stay of possession of property, forceful repossession of vehicles; sale of vehicles; non-issuance of no objection certificates and higher rate of interest.

C. Criminal cases including cases under Section 138 of the Negotiable Instruments Act

IHFL has filed complaints against various parties in the ordinary course of business, including some of its customers, under Section 138 of the Negotiable Instruments Act, 1881 in relation to dishonour of cheques. The matters are pending at various stages of adjudication before various courts.

Criminal Proceedings involving our Promoters

1. Manisha Rajgaria (“**Complainant**”) filed a complaint dated July 19, 2010 before Chief Judicial Magistrate, South 24 Parganas at Alipore (“**CJM, Alipore**”) against IHFL and Sameer Gehlaut, in his capacity as the then managing director of IHFL alleging commission of criminal breach of trust punishable under Section 406 of the IPC in relation to certain loan facilities extended by IHFL. The CJM, Alipore took cognizance of the matter and transferred the matter to Judicial Magistrate, 10th Court, Alipore (“**JM, Alipore**”) for disposal. By an order dated July 29, 2010 (“**Impugned Order 1**”), the JM, Alipore issued process against Sameer Gehlaut, the then managing director of IHFL. Subsequently, IHFL filed an application in the High Court of Calcutta, Criminal Revisional Jurisdiction (“**Calcutta High Court**”) seeking to, *inter alia*, (i) quash the Impugned Order and the proceedings before the JM, Alipore; and (ii) stay the proceedings before the JM, Alipore. By an order dated June 20, 2011, the Calcutta High Court stayed the proceedings before the JM, Alipore for a period of 10 weeks. The matter is currently ongoing.

The Complainant further filed another complaint dated March 25, 2011 against IHFL, Sameer Gehlaut in his capacity as the Director and two former directors, Rajiv Ratan and Saurabh K Mitthal (“**Accused**”) on grounds of alleged criminal breach of trust punishable under Section 406 and commission of offenses punishable under Sections 420 and 120B of the IPC in relation to certain loan facilities extended by IHFL. The CJM, Alipore took cognizance of the matter and transferred the matter to JM, Alipore. By an order dated March 29, 2011 (“**Impugned Order 2**”), the JM, Alipore issued process against the Accused. Subsequently, IHFL filed an application in the Calcutta High Court seeking to, *inter alia*, (i) quash the Impugned Order 2 and the proceedings before the JM Alipore; and (ii) stay the proceedings before the JM, Alipore. By an order dated May 18, 2011, the Calcutta High Court stayed the proceedings before the JM, Alipore for a period of eight weeks. The matter is listed on March 3, 2022 for awaiting order from High Court. The matter is currently ongoing.

2. Joy Deep Mukherjee (“**Complainant**”) filed a complaint before the Additional Chief Judicial Magistrate, at Durgapur (“**ACJM, Durgapur**”) against Arun Kumar and Mintu Roy who are employees of IHFL (collectively, “**Accused**”) alleging commission of offence punishable under Sections 403, 406, 511, 420 of the IPC on grounds that the Accused demanded money in excess of his loan liabilities, misappropriating cheques provided as security for the loan extended by IHFL and initiating malicious legal proceedings to recover such loan amount. By an order dated April 19, 2016, the ACJM, Durgapur issued summons to the Accused. The Accused have filed quashing petition before the High Court of Judicature at Calcutta (“**Calcutta High Court**”) and the Calcutta High Court by an order dated September 28, 2016 stayed the proceedings before the ACJM, Durgapur for six weeks. The matter is currently ongoing.
3. Chander Mohan Kapur filed contempt application against IHFL and Gagan Banga (in his capacity as Vice Chairman and Managing Director of IHFL), Joginder Khatri, Sanjeev and Sonu Bharia, who are employees of IHFL (collectively, “**Respondents I**”) in the Court of Session Judge, Gurugram (“**CSJ, Gurugram**”) for violating, disobeying and breaching the terms of settlement and order dated March 6, 2019 pertaining to a loan extended by IHFL, wherein Chander Mohan Kapur had undertaken to pay the outstanding loan amount through post-dated cheques (“**Settlement Order**”) and judgment dated July 19, 2019 passed by the Additional District and Sessions Judge, Gurugram (“**ASJ, Gurugram**”) by initiating fresh proceedings before the Debts Recovery Tribunal – II, Delhi for taking possession of the mortgaged property in violation of the Settlement Order and judgment dated July 19, 2019. Through its order dated August 13, 2019, ASJ, Gurugram issued summons against the Respondents I to appear before ASJ, Gurugram on October 18, 2019.

Subsequently, Chander Mohan Kapur filed another contempt application against IHFL and Gagan Banga (in his capacity of the Vice Chairman and Managing Director of IHFL) (collectively, “**Respondents II**”) in CSJ, Gurugram for summoning the original file of appeal titled “Chander Mohan Kapur v. Indiabulls Housing Finance Limited” decided by way of the order dated July 19, 2019 passed by ASJ, Gurugram. Additionally, the application sought for the review of the aforementioned documents and for directions to be given to the Respondents II to release the original documents including the sale deed of the mortgaged property and issue a no dues certificate. Through its order dated February 10, 2020, ASJ, Gurugram issued summons against the Respondents II to appear before ASJ, Gurugram on February 19, 2020. Matter has been listed on October 14, 2021 for reply and arguments.

4. The Commissioner of Police, Greater Chennai Square, Chennai received a complaint filed by K. Ganapathi Mudaliar, on behalf of Uma Maheshwari (“**Complainant**”) against IHFL, C Vengatesh, Softex Private Limited and V. Vijayalashmi alleging, *inter alia*, alleging cheating, criminal breach of trust and forgery. It was alleged that Uma Vijayalashmi entrusted the property documents with C Vengatesh before settling in the United States of America and such property was illegally mortgaged by C Vengatesh as security against loan obtained from IHFL. Subsequently, the Sub-Inspector of Police, Central Crime Branch registered an FIR against the Accused on February 2, 2010. Upon completion of the investigation, the final report November 11, 2014 was filed before the XI Metropolitan Magistrate, Saidapet Chennai (“**XI MM, Chennai**”) pursuant to which a charge sheet (“**Impugned Charge Sheet**”) was made against C Vengatesh, V. Vijayalashmi and Amrish Agarwal, a former employee of IHFL (collectively “**Accused**”). Subsequently, Amrish Agarwal, has filed a quashing petition in the High Court of Judicature at Madras (“**Madras High Court**”) seeking to quash the Impugned Charge Sheet on the grounds that even if the facts stated in the FIR were accepted as true, no offence can be made out against him. By an order dated July 9, 2015, the Madras High Court while disposing of the petition held Amrish Agarwal has been accused on the sole basis that he was the manager who sanctioned the loan which by itself is not sufficient to criminally hold a person liable and ordered for reinvestigation into the matter. Additionally, the Madras High Court directed Amrish Agarwal to surrender before the XI MM, Chennai and give a bond of ₹ 25,000 with two sureties pursuant to which XI MM, Chennai shall release Amrish Agarwal on bail. It further directed both, the de facto complainant Uma Maheshwari and Amrish Agarwal to appear before the Assistant Commissioner of Police as and when required and in case of non-cooperation, the bail issued to Amrish Agarwal may be cancelled. Furthermore, the Complainant has filed a petition for further investigation in the Madras High Court seeking to direct the Sub-Inspector of Police, Central Crime Branch, EDF – II, Team 4 to conduct further investigation and file additional/supplementary report within reasonable time. The matter is currently ongoing.
5. Minnie Verghese has registered an FIR in Hennur Police Station, Bengaluru against Prabin Pradhan, who is an employee of IHFL, S.B Sudhakar and Narasimha Reddy (collectively, “**Accused**”) for, *inter alia*, alleged cheating and criminal conspiracy on account of sanctioning loan facilities by IHFL against property documents forged by S.B Sudhakar, pursuant to which a charge sheet was made against the Accused. The XI Additional Chief Metropolitan Magistrate, Bengaluru (“**XI CMM, Bengaluru**”) took cognizance of the matter and issued process by an order dated April 19, 2016. Prabin Pradhan, Azahar Ali and Sriharsha K, employees of IHFL (collectively, “**Petitioners**”) have filed criminal petition in the High Court of Karnataka (“**Karnataka High Court**”) for quashing the proceedings initiated before the XI CMM, Bengaluru and filed an application praying for a stay on further proceedings. The Karnataka High Court through its order dated June 8, 2016 granted stay on the proceedings for a period of 12 weeks and recalled the non-bailable warrants but clarified that the Petitioners shall appear before the court in all hearings. The matter has since not been listed.
6. Sundesh Springs, Adishwar Jain and Sunita Jain (“**Applicants**”) filed an application under section 340 of CrPC before the Ilakha Magistrate, District Court, Gurugram (“**IMDC, Gurugram**”) against IHFL on the grounds that the legal counsel of IHFL wrongfully declared that the legal notices under Section 138 of the Negotiable Instruments Act, 1881 were duly served on the Applicants. The Applicants sought for, *inter alia*, (i) the matter to be committed to the concerned Metropolitan Magistrate to prosecute IHFL for act of perjury; (ii) dismissal of the complaint filed by IHFL under Section 138 of the Negotiable Instruments Act, 1881. The matter was called for hearing before the Judicial Magistrate First Class, Gurugram and was dismissed by an order dated January 21, 2017 for want of prosecution (“**Dismissal Order**”). Subsequently, the Applicants have filed a revision petition in the District and Sessions Judge, Gurugram against IHFL seeking re-call of the Dismissal Order and seeking restoration of the application. Matter is listed on September 17, 2021.
7. Neeraj Kumar filed an application under Section 340 of the CrPC before Judicial Magistrate First Class, Gurugram (“**JMFC, Gurugram**”) against IHFL alleging that IHFL has committed the offence of perjury by giving false information within its knowledge on oath and concealing the fact that IHFL received payments and accordingly, sought for initiation of criminal proceedings against IHFL. The application was dismissed by JMFC, Gurugram through its order dated January 7, 2020 (“**Dismissal Order**”). Subsequently, Neeraj

Kumar has filed an appeal before the Additional District and Sessions Judge, Gurugram (“**ADSJ, Gurugram**”) against the Dismissal Order. By an order dated February 7, 2020, the ADSJ, Gurugram issued summons to IHFL. By an order dated June 1, 2020 the ADSJ, Gurugram adjourned the matter to October 18, 2021.

8. Lease Plan India Private Limited and another (“**Complainants**”) filed a complaint in the Court of Metropolitan Magistrate, New Delhi (“**CMM, New Delhi**”), against Store One Retail India Limited (“**Store One**”), Sameer Gehlaut, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Anil Lepps, Mehul C. Johnson, Aishwarya Katoch, Mukul Bansal and Karan Singh, each impleaded in their capacity as directors of Store One (collectively, “**Accused**”), alleging the commission of offence punishable under Sections 406, 420 and 120-B of the IPC seeking issuance of summons to the Accused to face trial and award compensation in terms of Section 357 of CrPC. Additionally, the Complainants filed an application dated April 24, 2012 before the Chief Judicial Magistrate, New Delhi, seeking for directions to be given to the concerned police station to register a first information report. By an order dated March 30, 2017 (“**Impugned Order**”), the CMM New Delhi dismissed the complaint filed before it. Subsequently, the Complainants have filed an application in the High Court of Delhi, New Delhi (“**High Court of Delhi**”), seeking quashing the Impugned Order and issue summons to the Accused to face trial for offences under Sections 406, 420 and 120-B the IPC.
9. Ramesh Kumar Gupta (“**Complainant**”) filed complaint on September 26, 2006 against Gagan Banga, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Sameer Gehlaut, Karan Singh, Rajiv Rattan, Saurabh Mittal, Ashwini Omprakash Kumar, in their capacity as directors of Indiabulls Ventures Limited (erstwhile Indiabulls Securities Limited) (“**IVL**”), Amit Jain in his capacity as the company secretary of IVL and other employees of IVL on the files of Kaithal Police Station alleging commission of offences punishable under Sections 406, 420, 467, 468, 471 and 120-B of the IPC. Subsequently, the Complainant filed a complaint in the Court of Judicial Magistrate, Kaithal (Haryana) (“**CMM, Kaithal**”) against Indiabulls Ventures Limited, Gagan Banga, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Sameer Gehlaut, Karan Singh, Rajiv Rattan, Saurabh Mittal, Ashwini Omprakash Kumar, Amit Jain and other employees of IVL in relation to a dispute regarding alleged unauthorised trading effected in his securities trading account. Through a letter dated October 6, 2006, the allegations were denied on the grounds that (i) Sameer Gehlaut, Ashwini Omprakash Kumar, Shamsher Singh Ahlawat, Prem Prakash Mirdha, Saurabh Mittal, Karan Singh were not directors of IVL; (ii)Gagan Banga and Rajiv Rattan were not involved in the day to day management of the trading in the accounts maintained by IVL; and (iii) Amit Jain was not the company secretary of IVL. We understand that upon completion of the investigation, a closure report has been filed by the police authorities as no cognizable offence has been made out. The matter is currently pending for closure in the CMM, Kaithal.
10. Joginder Sansanwal (“**Complainant**”) filed an application before the Metropolitan Magistrate, Patiala House Court, at New Delhi (“**Patiala House, Delhi**”) under Section 156 of the CrPC against IHFL in relation to the dispute pertaining to the applicable rate of interest and tenor of the loan facility extended to the Complainant and alleged forgery and fabrication of certain loan documents. By an order dated November 17, 2018, the Patiala House, Delhi directed the registration of a first information report (“**FIR**”) against IHFL. Subsequently, the Parliament Street Police Station registered an FIR on December 1, 2018 against IHFL for offenses punishable under Sections 406, 420, 468 and 471 of IPC. The matter is currently pending.
11. IHFL lodged a first information report (“**FIR**”) in the Udyog Vihar Police Station, Gurugram on June 4, 2019 against Vikash Shekhar and his associates for acts of forgery, extortion, criminal intimidation and threat pursuant to which Vikash Shekhar was arrested on June 8, 2019. Upon arrest, Vikash Shekhar disclosed that Ram Mani Pandey and Kislay Pandey obtained his signatures and drafted complaints which were subsequently filed against IHFL before various higher officials. Subsequently, Ram Mani Pandey was arrested on June 27, 2019 and it was revealed that Ram Mani Pandey had falsely claimed to be an advocate. By an order dated March 2, 2020, the Judicial Magistrate First Class, Gurugram (“**JMFC, Gurugram**”) framed charges against Vikash Shekhar and Ram Mani Pandey. Proceeding under Section 82 CrPC was executed against Kislay Pandey.

Additionally, Vikash Shekhar filed a petition in the High Court of Punjab and Haryana at Chandigarh (“**Punjab High Court**”) seeking handover of the investigation of FIR No.216/19 dated June 4, 2019 Udyog Vihar Police Station to some independent agency like CBI, and to appoint an independent special investigation team (SIT) to conduct de-nova investigation etc. He also filed an application seeking exemption

from personal appearance before the trial court during the pendency of the petitions. The petitions were dismissed as withdrawn with liberty to avail alternative remedy.

Further, Kislay Pandey filed the fourth application before the Court of Sessions Judge at Gurugram on July 29, 2020 seeking an anticipatory bail which was also dismissed by the Additional Sessions Judge, Gurugram vide an order dated August 10, 2020. Additionally, Kislay Pandey had filed a writ petition before the Punjab and Haryana High Court seeking quashing of FIR which was dismissed by an order dated February 27, 2020. Further, Ram Mani Pandey filed the fifth bail application before the Sessions Judge at Gurugram seeking a regular bail. By an order dated May 19, 2020, the Additional Sessions Judge granted regular bail to Ram Mani Pandey with directions to furnish bail bonds of ₹50,000 with one surety in the like amount to the satisfaction of the duty / area Magistrate with conditions that Ram Mani Pandey shall not try to influence the prosecution witness and shall not evade the trial.

Furthermore, IHFL and Sachin Choudhary (in his capacity as the Director of IHFL) had filed a suit for permanent injunction against Vikash Shekhar, Ram Mani Pandey, Kislay Pandey and others (collectively, “**Defendants**”) in the High Court of Delhi at New Delhi (“**Delhi High Court**”) seeking, inter alia, to (i) permanently restrain the Defendants from giving publicity in print and/or social media the complaints filed by them against IHFL; (ii) issue direction to the Bar Council of India to initiate proceedings to revoke the practice license of Kislay Pandey; and (iii) restraining Vikash Shekhar from appearing as an advocate till such time he is enrolled as an advocate with the State Bar Council. By an order dated July 8, 2019 (“**Stay Order**”), the High Court of Delhi issued summons and granted an interim injunction restraining the Defendants from jointly and severally disseminating and publishing information or suit or complaints made to statutory authority in relation to IHFL through print or social media until the next date of hearing. Kislay Pandey has filed his written statement denying all averments made against him in the present suit. The operation of the Stay Order has been periodically extended by the High Court of Delhi and was extended by an order dated February 18, 2020. The High Court of Delhi through its suo motu order dated April 20, 2020 extended the operation of interim orders which were in subsistence as on April 19, 2021 until July 16, 2021 which through order dated July 16, 2021 was further extended until July 27, 2021 and further to September 13, 2021 through the office order dated July 22, 2021.

12. IHFL had filed a complaint dated September 3, 2010 with the Economic Offence Wing of Delhi Police against Raj Kumar Suneja, Chhaya Devi, Raj Rani Goel, Sandeep Kumar and Ashok Kumar (collectively, “**Accused**”) seeking to register a first information report and prompt legal action under Sections 403, 415, 418, 420, 423, 424, 463, 464, 466, 467, 468, 469, 471, 477-A and 120-B of the IPC which was referred to the Additional Commissioner of Police, New Delhi through letter dated November 8, 2010. However, no action was taken by the police and accordingly, IHFL filed a complaint before the Additional Chief Judicial Magistrate, Patiala House Courts, New Delhi (“**ACJM, Patiala House**”) against the Accused seeking, *inter alia*, (i) direction the station house officer, PS, Connaught Place to register FIR and initiate investigation; and (ii) take cognizance of the matter and issue summons to the Accused. The matter is pending in the court of Ms Pragati Singh MM PH Court for final arguments on status report filed by local police. The date of the next hearing is October 29, 2021.
13. IHFL has filed an application under section 156(3) of the CrPC against Sai Power Corporation, Raj Kamal Srivastava and Rashmi Srivastava before the Chief Metropolitan Magistrate, Patiala House Courts, New Delhi for the commission of offenses punishable under Sections 405, 406, 415, 420, 423, 464, 466, 467, 468, 469, 471, 477A and 120-B of the IPC seeking (i) direction the station house officer, Connaught Place Police Station to register a case and initiate investigation; and (ii) take cognizance of the matter and issue summons to the Accused. An application under section 156(3) of the CrPC was dismissed by an order dated February 28, 2020 and the matter was taken up for pre-summoning evidence on July 13, 2020. Through orders dated October 6, 2020 and February 25, 2021, the matter has been listed for pre-summoning evidence on September 24, 2021.
14. Raghani Property Holdings Private Limited (“**Complainant**”), filed a criminal complaint dated April 19, 2017 before the Chief Metropolitan Magistrate, Calcutta (“**CMM, Calcutta**”) against IHFL, Sameer Gehlaut, Labh Singh Sitara, Gagan Banga, Prem Prakash Mirdha, Shamesher Singh Ahlawat, Sachin Chaudhary, Ajit Kumar Mittal and Ashwini Omprakash Kumar as directors of IHFL, and Lucina Land Development Limited (“**LLDL**”) and certain directors and executives of LLDL (collectively, the “**Respondents**”) alleging commission of offences punishable under sections 406, 409, 506 and 420 read with sections 34 and 120B of

the IPC in relation to repayment of a loan extended by IHFL. The Complainant has alleged that the Respondents have entered into criminal conspiracy and have cheated the Complainant. The Complainant has also alleged that the Respondents have engaged in unilaterally modifying the terms of the “interest subvention scheme” under which the Complainant had availed loan from IHFL to purchase of two apartments at “Indiabulls Greens” situated at Raigad, Maharashtra. The CMM, Calcutta took cognizance of the matter and transferred the matter to the Metropolitan Magistrate, 19th Court, Calcutta (“MM Court, Calcutta”) for enquiry and disposal. By an order dated April 25, 2017 (“Impugned Order”), the MM Court, Calcutta issued summons and processes against the Respondents. Subsequently, the Respondents filed a petition in the High Court of Calcutta, Criminal Revisional Jurisdiction (“Calcutta High Court”) seeking to (i) quash the Impugned Order and the proceedings before the CMM, Calcutta; and (ii) to stay the proceedings before the MM Court, Calcutta. By an order dated July 5, 2017 (“Stay Order”), the Calcutta High Court granted a stay on proceedings for six weeks or until further orders with liberty to apply for extension of the stay order. The stay granted through the Stay Order has been periodically extended through orders of the Calcutta High Court and was last extended by the Calcutta High Court on its own motion till September 15, 2021 with liberty to parties to apply for vacation of such order.

15. IHFL filed a first information report no. 0751 on August 12, 2017 (“**FIR**”) against Pratap Singh (“**Petitioner**”) for criminal breach of trust, cheating and conspiracy punishable under section 420, 406 and 120-B of IPC against his loan account with IHFL. The petitioner consequently approached the High Court of Haryana and Punjab under a criminal petition bearing number CRM-M-31714-2017 alleging that IHFL has filed the FIR against the Petitioner despite offering to repay the borrowed funds. The High Court of Haryana and Punjab passed an interim order dated August 29, 2017 wherein no coercive action was instructed to be taken against the Petitioner. Matter is listed on October 6, 2021.
16. A provisional attachment order dated July 9, 2020 (“**PAO**”) was passed by the Deputy Director, Enforcement Directorate, Mumbai in respect of immovable property situated at Amrita Shergill Marg, New Delhi (“**Property**”) which is valued at approximately ₹685 crores. IHFL has a prior right over the Property belonging to Bliss Abode Private Limited in terms of the relevant provisions of the SARFAESI Act. By an order dated January 1, 2021 (“**Impugned Order**”), the Adjudicating Authority under the Prevention of Money Laundering Act, 2002 (“**Adjudicating Authority**”) confirmed the PAO. Aggrieved by the Impugned Order, IHFL has filed an appeal dated January 20, 2021 before the Appellate Tribunal, New Delhi against the Directorate of Enforcement, Rana Kapoor, Bindu Kapoor and Bliss Abode Private Limited to set aside the Impugned Order on the grounds, *inter alia*, of failure to put IHFL to notice of the Impugned Order. Appellate Authority vide order dated February 15, 2021 has granted status quo to the operation of the eviction order until next date of hearing. The matter is currently pending.
17. Daiichi Sanko Company Limited (through its power of attorney holder Vinay Prakash Singh) (“**Petitioner**”) filed a contempt petition in the Supreme Court of India against IHFL’s Directors Sameer Gehlaut and Sachin Chaudhary, Managing Director and CEO Gagan Banga, Ashwani Kumar Hooda, Divyesh Bharat Kumar Shah, Pinak Shah (collectively, “**Indiabulls Contemnors**”), Malvinder Mohan Singh, Shivinder Mohan Singh, Vivek Singh, Japna Malvinder Singh, Aditi Shivinder Singh alleging wilful disobedience of orders dated August 31, 2017, February 15, 2018, February 23, 2018 and August 11, 2018 passed by the Supreme Court of India (collectively, “**SC Orders**”). Each of the SC Orders pertained to maintenance of status quo with regard to shareholding of Fortis Healthcare Holding Private Limited (“**FHHPL**”) in Fortis Healthcare Limited (“**FHL**”) and accordingly it was alleged by the Petitioner that the transfer of shares of FHL held by FHHPL kept in a depository account with Indiabulls Ventures Limited (“**IVL**”) by use of pre-signed instruction slips for transfer of shares under various pre-existing loan agreements, to IHFL. Through an order dated December 18, 2019, the Supreme Court of India closed the matter against Indiabulls Contemnors on account of deposit of ₹17.934 crores and personal affidavit tendering apology.

Subsequently, through an order dated February 18, 2021, the Supreme Court of India directed each of the noticee banks and financial institution, including IHFL to place on record certain information including basic documents pertaining to loans advanced, nature of securities offered in connection with loan arrangements details of shares of FHL standing in the name of FHHPL sold by such banks / financial institutions from January 2017. IHFL through its affidavit dated February 22, 2021 submitted the required information and documents with the Supreme Court of India. The Supreme Court of India has reserved its orders on the application.

18. IHFL has filed an application dated December 2, 2020 under Section 8 of the Prevention of Money Laundering Act, 2002 (“**PMLA**”) before the Adjudicating Authority under the Prevention of Money Laundering Act, 2002 (“**Adjudicating Authority**”) to implead IHFL as a party in the original complaint filed by the Deputy Director, Directorate of Enforcement (“**Original Complaint**”) seeking to confirm the provisional attachment order dated July 9, 2020 (“**PAO**”) certain immovable properties. IHFL has clarified that the PAO is challenged only to the extent that it extends to the immovable properties situated at (i) Khurshedabad, Mumbai, valued at approximately ₹128.40 crores belonging to Imagine Estate Private Limited (“**IEPL**”); (ii) Unit No. 5, Sesen, Mumbai, valued at approximately ₹100 crores belonging to Imagine Residence Private Limited (“**IRPL**”); (iii) Unit No. 6, Sesen, Mumbai, valued at approximately ₹100 crores Imagine Home Private Limited (“**IHPL**”); and (iv) Unit No. 4, Sesen, Mumbai, valued at approximately ₹100 crores belonging to Imagine Habitat Private Limited (“**IHPL**” and collectively, “**Properties**”) on the grounds that the Properties are mortgaged as security in favour of IHFL in connection with the loans extended to IEPL, IRPL and IHPL. IHFL has also filed a reply to the Original Complaint. The Deputy Director, Directorate of Enforcement in its reply deferred to the Adjudicating Authority to decide on the impleadment application filed by IHFL.

The PAO was confirmed by the Adjudicating Authority through its order dated April 8, 2021 (“**Impugned Order**”), thereby confirming the attachment of the Properties which admittedly stand mortgaged with IHFL. Aggrieved by the same, IHFL filed an appeal in the High Court of Delhi, New Delhi (“**Delhi High Court**”) on account of the appropriate appellate authority under the PMLA not being operational. The Delhi High Court disposed of the appeal through an order dated June 2, 2021, with directions to IHFL to file an appeal in 10 days and to maintain status quo in respect of the Properties until the appeal is taken up for consideration by the Appellate Tribunal, PMLA. Accordingly, IHFL has filed the appeal within the said stipulated time before the Appellate Tribunal seeking to quash the Impugned Order in respect of attachment of the Properties and grant any other appropriate orders, as it deems fit.

19. IHFL has filed complaint under Sections 499, 500, 501 and 502 of the Indian Penal Code, 1860 against the Caravan Magazine and Chief Executive Editor and Editor of the Caravan Magazine as the accused persons in connivance of each other, have published libelous content by way of an article titled as “New affidavit in Indiabulls case accused Yes Bank of dubious loans of thousand crores” in the magazine on November 25, 2019 to cause defamation to IHFL. The complaint case is pending before the Ld. Metropolitan Magistrate, Patiala House Courts, New Delhi for recording the evidence of witnesses. The matter is pending and listed on December 10, 2021.
20. Ashutosh Vijay Kamble (“**Complainant**”) registered a first information report (“**FIR**”) on the file of Wada Police Station, Palghar, against IHFL, Rana Kapoor, Bindu Kapoor and others for offenses punishable under Sections 420, 465, 467, 468, 469, 470, 471 read with Section 120(B) of the Indian Penal Code and under the provisions of Prevention of Money Laundering Act, 2002 pursuant to an order of the Judicial Magistrate, First Class, Wada. (“**JMFC Court, Wada**”) dated April 7, 2021 (“**Impugned Order**”). IHFL has filed a writ petition in the High Court of Judicature at Bombay (“**Bombay High Court**”) seeking to quash the Impugned Order and the FIR and sought for grant of an interim stay on further investigation of the FIR. The Bombay High Court through an order dated April 27, 2021 granted an interim stay on further investigation of the FIR pending the hearing and final disposal of the current writ petition.

III. Involving our Directors

1. Mr. Shamsher Singh Ahlawat and Mr. Prem Prakash Mirdha

- a. For details in relation to complaints filed against Mr. Shamsher Singh Ahlawat and Mr. Prem Prakash Mirdha, please see “- *Criminal Proceedings involving our Promoters*”

2. Mr. Ajit Kumar Mittal

- b. For details in relation to complaints filed by Raghani Property Holdings Private Limited and Ms. Manisha Rajgaria against Mr. Ajit Kumar Mittal, please see “- *Criminal Proceedings*”

involving our Promoters”.

IV. Involving our Subsidiary

Nil

V. Involving Sameer Gehlaut, promoter of our Promoter Indiabulls Housing Finance Limited

A. Criminal cases

1. For details in relation to complaints filed by Ramesh Kumar Gupta against Mr. Sameer Gehlaut and Mr. Gagan Banga, please see “- *Criminal Proceedings involving our Promoters*”.
2. For details in relation to complaints filed by Raghani Property Holdings Private Limited and Ms. Manisha Rajgaria against Mr. Sameer Gehlaut, please see “- *Criminal Proceedings involving our Promoters*”.

Litigation or legal action pending or taken by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of the issue of this Placement Memorandum and any directions issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action:

In the ordinary course of business, the Promoter of our Company regularly receives notices from the NHB which are in the nature queries, requests and complaints raised by the customers in connection with, *inter alia*, availing subsidy under the Pradhan Mantri Awas Yojana, rate of interest charged by the Promoter of our Company on the loan facilities extended etc. the Promoter of our Company responds to such notices on a regular basis.

Details of acts of material frauds committed against our Company in the last three years, if any, and if so, the action taken by our Company

Particulars	April 1, 2021 to June 30, 2021	March 31, 2021	March 31, 2020	March 31, 2019
Nature of Frauds	NIL	NIL	1	Nil
Aggregate amount involved (₹in lakhs)	0	0	₹ 505 lakhs (POS is nil; Property auctioned and amount recovered)	0
Corrective actions taken by the Company	NA	NA	FIR registered vide FIR no 79/20 and pending for investigation	NA

Other confirmations:

1. There are no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous companies’ law in the last three years immediately preceding the year of issue of this Placement Memorandum against our Company and Subsidiary;
2. Save as disclosed in this Placement Memorandum, there are no pending litigation involving our Company, Promoter, Directors, Subsidiary, Group Companies or any other person, whose outcome could have material adverse effect on the position of our Company;
3. There are no pending proceedings initiated against our Company for economic offences.

4. As on the date of this Placement Memorandum, there are no failures or defaults to meet statutory dues, institutional dues and dues towards instrument holders including holders of debentures, and fixed deposits and etc., by our Company.

ANNEXURE IV

CREDIT RATING LETTERS

1. **Credit rating letters from Brickwork Ratings India Private Limited dated September 3, 2021.**

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Brickwork Ratings India Pvt. Ltd.

Ground floor, Building No - S 14, Solitaire
Corporate Park, Guru Hargovindji Marg,
Chakala, Andheri (East), Mumbai - 400 093
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BWR/NCD/MUM/CRC/RAM/0212/2021-22

3 September 2021

The Director

Indiabulls Commercial Credit Limited (ICCL)

Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Mills
Mumbai - 400 013

Dear Sir,

Sub: Rating review of Indiabulls Commercial Credit Limited's outstanding debt issues amounting to Rs 3,750 Cr (INR Three Thousand Seven Hundred Fifty Crores Only). (issue wise details are provided in annexure)

Ref: Our rating letter BWR/NCD/MUM/CRC/ABP/0270/2020-21 dated 29 March 2021

On review of **Indiabulls Commercial Credit Ltd.'s** performance based on the information and clarifications provided by your Company as well as information available in the public sources, we are pleased to inform you that Brickwork Ratings (BWR) has reaffirmed the rating of **Indiabulls Commercial Credit Ltd.'s outstanding debt issues aggregating to ₹ 3,750 Crores at BWR AA+/Negative**. Instruments with this rating are considered to have **high degree of safety** regarding timely servicing of financial obligations. Such instruments carry very **low credit risk**

The Rating is valid till one year from the date of this rating letter and is subject to terms and conditions that were agreed in your earlier mandates and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended below. Brickwork would conduct surveillance periodically. Please note that Brickwork Ratings would need to be kept informed of any significant information/ development that may affect your Company's finances/ performance without any delay.

You are also requested to submit "No default statement" on a monthly basis.

Please acknowledge.

Best Regards,

Ramya Muraledharan
Director – Ratings



Brickwork Ratings India Pvt. Ltd.

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Note: Rating Rationale of all accepted Ratings are published on Brickwork Ratings website. All non-accepted ratings are also published on Brickwork Ratings web-site . Interested persons are well advised to refer to our website www.brickworkratings.com, If they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com.

Disclaimer: Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by the Reserve Bank of India [RBI], offers credit ratings of Bank Loan facilities, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. [hereafter referred to as "Instruments"]. BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.

BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR's best judgement are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR's opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgement obtained from the user's financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR's ratings reflect BWR's opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, "BWR Party") guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, www.brickworkratings.com. More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.



Brickwork Ratings India Pvt. Ltd.

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BWR/NCD/MUM/CRC/RAM/0212/2021-22

3 September 2021

Indiabulls Commercial Credit Limited
Annexure: Details of Outstanding Debt issues rated by BWR

Facility/ Instrument	Rated Amount Rs in Crs	Amount Raised Rs in Crs	Tenure	Previous Rating [^]	Present Rating [^]
NCDs	1500	Nil	Long Term	BWR AA+ (Outlook:Negative)	BWR AA+ (Outlook:Negative)
Subordinated NCDs	750	100			
Public issue of retail secured redeemable non-convertible debenture (NCDs)	1000	Nil			
Public issue of retail unsecured redeemable non-convertible debenture (NCDs)	500	Nil			
Total	3,750		INR Three Thousand and Seven Hundred Fifty Crores Only		

[^] Please refer to BWR website www.brickworkratings.com/ for definition of the ratings



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BWR/NCD/MUM/CRC/RAM/0213/2021-22

3 September 2021

The Director
Indiabulls Commercial Credit Limited (ICCL)
Indiabulls Finance Centre
Senapati Bapat Marg, Elphinstone Mills
Mumbai - 400 013

Dear Sir,

Sub: Rating of *Indiabulls Commercial Credit Ltd.*'s NCD issue of ₹ . 500.00 Crs (₹ Five Hundred Crores Only) with a tenor of up to 10 years.

Thank you for giving us an opportunity to undertake a rating of NCD issue of Rs. 500.00 Crores of Indiabulls Commercial Credit Ltd. Based on the term sheet of the NCD shared with us, information and clarifications provided by your company, as well as information available in public sources, Brickwork Ratings is pleased to inform you that **Indiabulls Commercial Credit Ltd.**'s **NCD issue of ₹ 500.00 Crs** has been assigned a rating of **BWR AA+/Negative**. Instruments with this rating are considered to have **high degree of safety** regarding timely servicing of financial obligations. Such instruments carry very **low credit risk**

The Rating is valid for one year from the date of this letter and subject to the terms and conditions that were agreed in your mandate dated 26 Aug 2021 and other correspondence, if any, and Brickwork Ratings' standard disclaimer appended below. Brickwork Ratings would conduct surveillance every year till maturity/redemption of the instrument. Please note that Brickwork Ratings would need to be kept informed of any significant information/development that may affect your Company's finances/performance without any delay.

You are also requested to submit "No default statement" on a monthly basis.

Best Regards,

Ramya Muraledharan
Director - Ratings

Note: Rating Rationale of all accepted Ratings are published on Brickwork Ratings website. All non-accepted ratings are also published on Brickwork Ratings website . Interested persons are well advised to refer to our website www.brickworkratings.com, If they are unable to view the rationale, they are requested to inform us on brickworkhelp@brickworkratings.com.



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2. Rating rationale from Brickwork Ratings India Private Limited dated September 3, 2021.

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RATING RATIONALE

3 September 2021

Indiabulls Commercial Credit Limited

Brickwork Ratings assigns ratings for the fresh Non Convertible debentures (NCDs) of Rs 500 Crs and reaffirms the outstanding ratings for various debt issues and bank loan ratings of Indiabulls Commercial Credit Limited (ICCL).

Particulars:

Facility/Instrument**	Amount (₹ Cr)		Tenure	Rating*	
	Previous	Present		Previous (Mar, 2021)	Present
Non convertible debenture (NCDs)	-	500		-	BWR AA+ Negative (Assigned)
Public issue of retail secured redeemable non-convertible debenture (NCDs)	1,000	1,000	Long Term	BWR AA+ Negative	BWR AA+ Negative (Reaffirmed)
Public issue of retail unsecured redeemable non-convertible debenture (NCDs)	500	500		BWR AA+ Negative	BWR AA+ Negative (Reaffirmed)
Subordinated Non convertible debenture (NCDs)	750	750		BWR AA+ Negative	BWR AA+ Negative (Reaffirmed)
Non convertible debenture (NCDs)	1,500	1,500			
Fund Based - Bank Loans	1,500	1,500			
Commercial Paper Issue (CPs)	500	500	Short Term	BWR A1+	BWR A1+ (Reaffirmed)
Total	5,750	6,250	INR Six Thousand and Two Hundred Fifty Crores Only		

*Please refer to BWR website www.brickworkratings.com/ for the definition of the ratings

** Details of Bank Facilities/NCD/Bonds/Commercial Paper are provided in Annexures-I&II



RATING ACTION / OUTLOOK

Brickwork Ratings (BWR) assigns the ratings of **BWR AA+/Negative** for the NCDs of Rs 500 Crs while reaffirming the ratings of **BWR AA+/Negative** for the various long term debt issuances of Rs 5,250 Crs and **BWR A1+** for commercial paper issue of Rs 500 Crs of Indiabulls Commercial Credit Limited (ICCL or the company), as tabulated above.

ICCL is a wholly owned subsidiary of Indiabulls Housing Finance Limited (IBHFL), which provides financial strength and flexibility to the company with a common management, business expertise and the brand name. At the operational level, IBHFL and ICCL operate as consolidated entities. ICCL's rating was assigned based on the letter of continuity provided by its parent IBHFL. Hence, the rating assignment / reaffirmation is in line with the rating of its parent IBHFL.

The rating assignment/reaffirmation factors in IBHFL's established market position in the housing finance sector, comfortable capitalisation with a moderate gearing level, strong liquidity and a diversified resource profile. However, the rating is constrained by the moderate asset quality and average profitability on account of the decreasing asset base and pressure on operating income.

The outlook continues to be Negative, given the continued stress on asset quality due to the impact of COVID-19 on the domestic economy, pressure on profitability due to expected slippages in the developer loan book and resultant provisioning requirements. The company's ability to revive growth, improve its asset quality and earnings profile through successfully building on the co-lending business model and avert any further deterioration in the portfolio performance over the near term will remain key rating monitorables.

ANALYTICAL APPROACH AND APPLICABLE RATING CRITERIA

For arriving at its ratings, BWR has considered the consolidated financial profile of IBHFL, alongwith its subsidiary Indiabulls Commercial Credit Ltd (ICCL), and has applied its rating methodology as detailed in the Rating Criteria below (hyperlinks provided at the end of this rationale).

KEY RATING DRIVERS

Credit Strengths:-

- **Established market position:** IBHFL has an established position in retail mortgage finance as one of the largest HFCs in India with a consolidated AUM of Rs 79,213 Crs and an outstanding loan portfolio of Rs 65,438 Crs as on 30 June 2021. The AUM and loan portfolio have grown at a CAGR of 24% and 21%, respectively from March, 2014 to March 2019. However, in the last two years, the AUM and the loan book have shrunk, given the funding challenges faced by HFCs from the second half of FY 2019, high reliance on securitisation and the company's decision to reduce its exposure to developer loans and focus more on colending, which is expected to result in a further moderation in its own book. ICCL has a stand-alone AUM of Rs. 13,810 Crs at the end of March 2021

and Rs. 14,274 Crs at the end of June 2021. The AUM comprises ~60% of LAP portfolio and ~40% of Wholesale/ Construction Finance portfolio at the end of June 2021.

- **Comfortable capitalisation levels:** As on 30 June 2021, IBHFL's total capital to risk weighted assets ratio (CRAR) stood comfortably at 31.02%, which is well above the regulatory requirement of a total CAR of 15%. As on 30 June 2021, IBHFL's net worth stood at Rs 15,635 Crs, against total debt of Rs 60,399 Crs, resulting in a gearing of 3.86x. It also has an asset risk cover with net worth coverage for net non-performing assets (NPAs) at 12.74 times as on 30 June 2021. ICCL's CRAR on a standalone basis stood at 31.36% at the end of June 2021 with a networth of Rs.4,648 Crs.
- **Diversified resource profile:** IBHFL has a diversified resource profile with ongoing relations with 25 banks/mutual funds for a sell-down. The borrowing profile is well diversified, with bank borrowings contributing to 32%, NCDs contributing to 42%, ECBs contributing 5%, and the remaining 21% contributed by the securitisation of loans. IBHFL has raised Rs 34,016 Crs funding in FY21 (i.e., from April 2020 to March 2021) including undrawn available sanction lines and equity of Rs 2671 Crs. Company has further raised Rs 13,289 Crs in Q1FY22 including undrawn available sanction lines. IBHFL has also raised Rs 1,091 Crs (USD 150 Mn) in Q1FY22 through secured foreign currency convertible bonds (FCCB), indicating IBHFL's ability to raise long-term funds from the market. The fund raise at ICCL is managed by the parent at a consolidated level.
- **Strong liquidity:** IBHFL has strong liquidity, with the ALM profile dated 30 June 2021 demonstrating cumulative positive mismatch across various buckets and with a positive mismatch of Rs 9,099 Crs at the end of one year. The company also has cash & liquid investments and undrawn available sanctions of Rs.16,673 Crs as on 20 Aug 2021 against total debt repayment of Rs 9,149 Crs upto December 2021. Its reliance on commercial paper funding has reduced to nil and entirely depends on long-term funds. The liquidity position of ICCL is managed at a consolidated level by IBHFL.

Credit Risks:-

- **Moderate asset quality:** Asset quality of IBHFL has witnessed some stress in the last two years, with gross non-performing asset (GNPA) and net non-performing asset (NNPA) increasing to 2.86% and 1.55% respectively, as on 30 June 2021, when compared with 2.66% and 1.59%, respectively, as on 31-March-2021 and 1.84% and 1.21%, respectively, as on 31-March-2020, mainly due to high slippages in the non-housing loan book and shrinkage in the asset base. IBHFL has total provisions of ₹ 3,600 Crs on its balance sheet which is equivalent to 5.5% of its loan book. With respect to ICCL, the GNPA and NNPA levels have increased from 2.56% and 2.00% respectively at the end of FY 20 to 4.49% and 2.93 % at the end of FY 21 and stand at 4.25 % and 2.87% at the end of Jun 2021. BWR expects that the future impact on asset quality will be uncertain, given the impact of COVID-19 on the domestic economy, especially on the

real estate sector, and the resultant impact on the credit profile of the underlying borrowers of developer loan portfolios. To partially offset the increasing risk on the asset quality, the company is down-selling the developer loan portfolio. However, BWR continues to derive comfort from the credit appraisal system, company's risk management policies, its focus on reducing exposure through refinance and prepayments, and demonstrated ability to recover dues from borrowers.

- **Decline in profitability:** IBHFL's profitability has declined in the last two years with the ROA and ROE decreasing to 1.22% and 7.19%, respectively, for Q1FY22 compared with an ROA and ROE of 1.30% and 7.50%, respectively, for FY21 and ROA and ROE of 1.90% and 17.60%, respectively, for FY20. This was mainly due to falling revenues on the back of shrinking loan book and falling NIMs as the company is selling down the high yielding developer loan portfolio coupled with higher credit costs in the non-housing loan portfolio. IBHFL's ability to raise funds from diverse sources and reduce its cost of borrowing and timely refinance of developer loans to reduce the credit costs will be key rating monitorable. ICCLs profitability remains moderate with ROA of 2.36% and ROE of 8.16% as on 30 June 2021.
- **Challenging operating environment for HFCs:** Currently, HFCs in India are facing liquidity and funding challenges, resulting in subdued growth/degrowth and potential ALM mismatches in the short term. This is also expected to adversely affect the borrowing profile and profitability of NBFCs. Furthermore, the company operates in a highly competitive space, and thereby its ability to demonstrate profitable growth while maintaining asset quality over the medium term will be critical. While the company has raised long-term funds in the recent past, its ability to raise adequate funding at competitive rates over the medium term will be a key monitorable.

RATING SENSITIVITIES

Positive: Upward revision in the rating of its parent company IBHFL

Negative: Downward revision in the rating of its parent company IBHFL

LIQUIDITY POSITION: Strong

IBHFL has strong liquidity, with the ALM profile dated 30 June 2021 demonstrating cumulative positive mismatch across various buckets and with a positive mismatch of Rs 9,099 Crs at the end of one year. The company also has cash & liquid investments and undrawn available sanctions of Rs.16,673 Crs as on 20 Aug 2021 against total debt repayment of Rs 9,149 Crs upto December 2021. Its reliance on commercial paper funding has reduced to nil and entirely depends on long-term funds.

Coronavirus disease (COVID-19): Coronavirus disease (COVID-19), declared a pandemic by the World Health Organisation (WHO), has become a full-blown crisis globally, including in India. BWR is actively engaging with its clients on a continuous basis and taking updates on the

impact on its operations and liquidity situation. BWR will take appropriate rating actions as and when it deems necessary and will publish the same.

COMPANY PROFILE: ICCL

Indiabulls Commercial Credit Limited (ICCL), incorporated in 2006, is a wholly owned subsidiary of IBHFL. It is a non-deposit taking systemically important NBFC with a registered office in New Delhi. ICCL focuses on mortgaged backed lending, specifically loans against property, and to a lesser extent on corporate mortgage loans. At the operational level, IBHFL and ICCL operate as consolidated entities. IBHFL is the flagship company of Indiabulls group, a leading business house with businesses spread across many sectors, including Housing finance, real estate and brokerage services.

COMPANY PROFILE: IBHFL

Indiabulls Housing Finance Ltd (IBHFL), incorporated in 2005, is engaged in the business of mortgage-backed finance - housing loans and loan against property, and corporate mortgage loan - lease rental discounting and construction finance. The company is promoted by Mr. Sameer Gehlaut, who has a 21.7% shareholding as on 31 Mar 2021, directly or through other fully owned entities. The company is listed on the BSE/NSE. IBHFL is the flagship company of Indiabulls Group, a leading business house with businesses spread across many sectors, including housing finance, real estate and financial services. Mr. Subhash Sheoratan Mundra is the non-executive chairman of the board of IBHFL. Mr. Sameer Gehlaut is the founder and non-executive director, Mr. Gagan Banga is the vice chairman, managing director and CEO, and Mr. Ashwini Kumar Hooda is the deputy managing director of IBHFL. Besides them, the board consists of two executive directors and six independent directors. The company also has well-qualified and experienced professionals looking after credit, risk, marketing, audit and other support functions.

KEY FINANCIAL INDICATORS - ICCL (Standalone)

Key Parameters	Units	FY19	FY20	FY21
Result Type		Audited	Audited	Audited
Loan Portfolio	₹ Cr	17,598	13,562	13,810
Revenue from Operations	₹ Cr	1760	2,190	1618
PAT	₹ Cr	323	19.81	139.04
Tangible Net worth	₹ Cr	4,375	4,407	4,553
Total Debt	₹ Cr	10,807	8,726	7,679
GNPA	%	1.12	2.56	4.49
CRAR	%	28.96	32.69	34.48

KEY FINANCIAL INDICATORS - IBHFL (Consolidated)

Key Parameters	Units	2019	2020	FY21
Result Type		Audited	Audited	Unaud
Consolidated AUM	Rs in Crs	1,20,525	93,021	80,741
Loan Portfolio	Rs in Crs	92,298	73,064	66,047
Net Interest Income	Rs in Crs	6,382	4,711	3,091
PAT	Rs in Crs	4,091	2,200	1,202
Tangible Net worth	Rs in Crs	16,403	15,462	16,040
Total CRAR	%	26.49	27.09	30.72
GNPA	%	0.88	1.84	2.66
NNPA	%	0.69	1.24	1.59

KEY COVENANTS OF THE INSTRUMENT/FACILITY RATED: Nil

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY: Nil

RATING HISTORY FOR THE PREVIOUS THREE YEARS [including withdrawal and suspended]

S. No	Name of Instrument (NCD/Bank Loan /Non-Fund Based facilitates/ Commercial Paper etc.)	Current Rating (2021)			Chronology of Rating History for the past 3 years (Rating Assigned and Press Release date) along with outlook/ Watch, if applicable		
		Type(Long Term/Short Term)	Amount Outstanding (Rs. Crores)	Rating	Date(s)& Rating(S) assigned in 2020	Date(s) & Rating(s) assigned in 2019	Date(s) & Rating(s) assigned in 2018
1					14 Sep 2020	18 Oct 2019	5 Nov 2018
	Non Convertible Debentures (NCDs)	Long Term	500	BWR AA+ Negative	-	-	-
	Non convertible Debentures (NCDs) - Public Issue	Long Term	1500	BWR AA+ Negative	-	-	-
	Non convertible Debentures (NCDs)	Long Term	2250	BWR AA+ Negative	BWR AA+ Negative	BWR AA+ Credit watch with developing implications	BWR AAA Stable
	Fund Based - Bank Loans	Long Term	1500	BWR AA+ Negative	BWR AA+ Negative	BWR AA+ Credit watch with developing implications	BWR AAA Stable
	Commercial Paper	Short Term	500	BWR A1+	BWR A1+	-	-
2				29 Mar 2021	23 Mar 2020	17 Apr 2019	
	Fresh Non convertible Debentures (NCDs)	Long Term	1500	BWR AA+ Negative	-	-	-
	Non convertible Debentures (NCDs)	Long Term	2250	BWR AA+ Negative	BWR AA+ Negative	BWR AAA Credit watch with developing implications	
	Fund Based - Bank Loans	Long Term	1500	BWR AA+ Negative	BWR AA+ Negative	BWR AA+ Credit watch with developing implications	
	Commercial Paper	Short Term	500	BWR A1+	-	-	-

COMPLEXITY LEVELS OF THE INSTRUMENTS: Simple

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Banks and Financial Institutions](#)
- [Commercial paper](#)

Analytical Contacts	
Sree Harsha Manager - Ratings B :+91 80 4040 9940 Ext :361 sreeharsha@brickworkratings.com	Ramya Muraledharan Director - Ratings B :+91 22 2831 1426, +91 22 2831 1439 Ext: 660 ramya.m@brickworkratings.com
1-860-425-2742	media@brickworkratings.com

Indiabulls Commercial Credit Ltd

ANNEXURE I

INSTRUMENT (NCD) DETAILS

INSTRUMENT	ISSUE DATE	AMOUNT (Rs in Crs.)	COUPON Rate	MATURITY DATE	ISIN
Subordinated NCD	8-Nov-2017	60	8.45%	8-Nov-2027	INE244L08018
Subordinated NCD	30-Nov-2017	40	8.45%	30-Nov-2027	INE244L08026

Total: INR One Hundred Crores

(Remaining rated NCD limits have not been utilised)

ANNEXURE II

Details of Bank Facilities rated by BWR

Sl.no	Name of the Bank	Type of Facility	Long Term (Rs in Crs)	Short Term (Rs in Crs)	Total (Rs in Crs)
1	Karnataka Bank	Term Loan	100	-	100
Total (Existing Limits)			100	-	100
Total Proposed Limits			1,400	-	1,400
Total Amount rated			1,500	-	1,500

Total: INR One Thousand and Five Hundred Crores Only.

Commercial Paper (CP) facilities remain unutilised as on date

ANNEXURE III

List of Entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
Indiabulls Commercial Credit Limited	100	Full	Subsidiary
Indiabulls Collection Agency Limited	100	Full	Subsidiary
Ibulls Sales Limited	100	Full	Subsidiary
Indiabulls Insurance Advisors Limited	100	Full	Subsidiary
Nilgiri Financial Consultants Limited	100	Full	Subsidiary
Indiabulls Capital Services Limited	100	Full	Subsidiary
Indiabulls Advisory Services Limited	100	Full	Subsidiary
Indiabulls Asset Holding Company Limited	100	Full	Subsidiary
Indiabulls Asset Management Company Limited	100	Full	Subsidiary
Indiabulls Trustee Company Limited	100	Full	Subsidiary
Indiabulls Holdings Limited	100	Full	Subsidiary
Indiabulls Venture Capital Management Company Limited	100	Full	Subsidiary
Indiabulls Asset Management Mauritius	100	Full	Subsidiary
IBHFL Lender Repayment Trust	100	Full	Subsidiary
Pragati Employee Welfare trust	100	Full	Subsidiary
ICCL Lender Repayment Trust	100	Full	Subsidiary



For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

About Brickwork Ratings : Brickwork Ratings (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by Reserve Bank of India [RBI], offers credit ratings of Bank Loan, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. BWR has rated over 11,400 medium and large corporates and financial institutions' instruments. BWR has also rated NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations. BWR has Canara Bank, a leading public sector bank, as one of the promoters and strategic partner. BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.

DISCLAIMER : Brickwork Ratings India Pvt. Ltd. (BWR), a Securities and Exchange Board of India [SEBI] registered Credit Rating Agency and accredited by the Reserve Bank of India [RBI], offers credit ratings of Bank Loan facilities, Non- convertible / convertible / partially convertible debentures and other capital market instruments and bonds, Commercial Paper, perpetual bonds, asset-backed and mortgage-backed securities, partial guarantees and other structured / credit enhanced debt instruments, Security Receipts, Securitisation Products, Municipal Bonds, etc. [hereafter referred to as "Instruments"]. BWR also rates NGOs, Educational Institutions, Hospitals, Real Estate Developers, Urban Local Bodies and Municipal Corporations.

BWR wishes to inform all persons who may come across Rating Rationales and Rating Reports provided by BWR that the ratings assigned by BWR are based on information obtained from the issuer of the instrument and other reliable sources, which in BWR's best judgement are considered reliable. The Rating Rationale / Rating Report & other rating communications are intended for the jurisdiction of India only. The reports should not be the sole or primary basis for any investment decision within the meaning of any law or regulation (including the laws and regulations applicable in Europe and also the USA).

BWR also wishes to inform that access or use of the said documents does not create a client relationship between the user and BWR.

The ratings assigned by BWR are only an expression of BWR's opinion on the entity / instrument and should not in any manner be construed as being a recommendation to either, purchase, hold or sell the instrument.

BWR also wishes to abundantly clarify that these ratings are not to be considered as an investment advice in any jurisdiction nor are they to be used as a basis for or as an alternative to independent financial advice and judgement obtained from the user's financial advisors. BWR shall not be liable to any losses incurred by the users of these Rating Rationales, Rating Reports or its contents. BWR reserves the right to vary, modify, suspend or withdraw the ratings at any time without assigning reasons for the same.

BWR's ratings reflect BWR's opinion on the day the ratings are published and are not reflective of factual circumstances that may have arisen on a later date. BWR is not obliged to update its opinion based on any public notification, in any form or format although BWR may disseminate its opinion and analysis when deemed fit.

Neither BWR nor its affiliates, third party providers, as well as the directors, officers, shareholders, employees or agents (collectively, "BWR Party") guarantee the accuracy, completeness or adequacy of the Ratings, and no BWR Party shall have any liability for any errors, omissions, or interruptions therein, regardless of the cause, or for the results obtained from the use of any part of the Rating Rationales or Rating Reports. Each BWR Party disclaims all



express or implied warranties, including, but not limited to, any warranties of merchantability, suitability or fitness for a particular purpose or use. In no event shall any BWR Party be liable to any one for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of any part of the Rating Rationales and/or Rating Reports even if advised of the possibility of such damages. However, BWR or its associates may have other commercial transactions with the company/entity. BWR and its affiliates do not act as a fiduciary.

BWR keeps certain activities of its business units separate from each other in order to preserve the independence and objectivity of the respective activity. As a result, certain business units of BWR may have information that is not available to other BWR business units. BWR has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

BWR clarifies that it may have been paid a fee by the issuers or underwriters of the instruments, facilities, securities etc., or from obligors. BWR's public ratings and analysis are made available on its web site, www.brickworkratings.com. More detailed information may be provided for a fee. BWR's rating criteria are also generally made available without charge on BWR's website.

This disclaimer forms an integral part of the Ratings Rationales / Rating Reports or other press releases, advisories, communications issued by BWR and circulation of the ratings without this disclaimer is prohibited.

BWR is bound by the Code of Conduct for Credit Rating Agencies issued by the Securities and Exchange Board of India and is governed by the applicable regulations issued by the Securities and Exchange Board of India as amended from time to time.

ANNEXURE V
RELATED PARTY TRANSACTIONS

Particulars	Amount (Rs. in crores)		
	For the Year ended March 31, 2021	For the Year ended March 31, 2020	For the Year ended March 31, 2019
	INDAS		
Deemed cost of fair value of corporate guarantee			
– Indiabulls Housing Finance Limited	9.33	12.43	1.47
Total	9.33	12.43	1.47
Addition to fair value of corporate guarantee			
– Indiabulls Housing Finance Limited	4.27	9.76	41.63
Total	4.27	9.76	41.63
Unamortised portion of deemed cost for corporate guarantees			
– Indiabulls Housing Finance Limited	32.43	37.49	40.15
Total	32.43	37.49	40.15

The Company has established ICCL Lender Repayment Trust to which it transfers funds solely for the purpose of timely repayment of its borrowings. As at March 31, 2021, total funds amounting to Rs. 0.00 crores (2019-20 Rs. 3.18 crores, 2018-19 Rs. Nil) were lying with such Trust for future repayments which have been included in Other financial assets.

ANNEXURE VI

CONSENT LETTER AND OFFER LETTER FROM DEBENTURE TRUSTEE

(The rest of this page has been intentionally left blank.)

16375/CL/MUM/21-22/DEB/72

Date: September 15,2021

Indiabulls Commercial Credit Limited

M-62 & 63, 1st Floor,
M-103 & 104,2nd Floor,
Connaught Place,,
New Delhi-110001,Delhi
India

Kind Attn: Mr. Sandipan Amboli

Sub: Consent Letter to act as Debenture Trustee for Secured Listed Non-Convertible Debentures aggregating upto Rs. 2000.00 Crores

Dear Sir,

This is with reference to our discussion regarding appointment of Beacon Trusteeship Limited as Debenture Trustee for Secured Listed Non-Convertible Debentures aggregating to Rs. 2000.00 Crores

In this regards it would indeed be our pleasure to be associated with your esteemed organization as Debenture Trustee. In this connection, we confirm our acceptance to act as Debenture Trustee for the same.

We are also agreeable for inclusion of our name as trustees in the Company's offer document/disclosure document/ listing application/any other document to be filed with the Stock Exchange(s) or any other authority as required.

Looking forward to a long and fruitful association with your esteemed organization.

Yours faithfully

For Beacon Trusteeship Limited



Authorised Signatory

Accepted

For Indiabulls Commercial Credit Limited

Authorised Signatory

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

16375/CL/MUM/21-22/DEB/72

Date: September 01,2021

Indiabulls Commercial Credit Limited

M-62 & 63, 1st Floor,
M-103 & 104,2nd Floor,
Connaught Place,,
New Delhi-110001,Delhi
India

Kind Attn: Mr. Sandipan Amboli

Sub: Engagement Letter to act as Debenture Trustee for Secured Listed Redeemable Non-Convertible Debentures aggregating upto Rs. 2000.00 Crores

Dear Sir,

This is with reference to our discussion regarding appointment of Beacon Trusteeship Limited as Debenture Trustee for Secured Listed Redeemable Non-Convertible Debentures aggregating to Rs. 2000.00 Crores

In this context, please find enclosed herewith Terms of Engagement of BTL– **Annexure I** and Terms of Engagement – **Annexure II**.

Kindly acknowledge and return a copy of this letter by email/ courier as a token of your acceptance of the terms. Should you require any clarifications please do not hesitate to get in touch with the following:

Name	Designation	Mobile	Email
Veena Nautiyal	RM	+91 9324724945	veena@beacontrustee.co.in
Kaustubh Kulkarni	ED	+91 9920699299	kk@beacontrustee.co.in
Vitthal Nawandhar	CEO	+91 9892277379	vitthal@beacontrustee.co.in

We look forward to working with your organization and building a long-standing mutually beneficial relationship

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

Annexure I
Terms of Engagement of Beacon Trusteeship Limited (BTL)

Debenture Trustee - Rs. 2000.00 crores		
Acceptance Fee	Rs. 15,00,000.00	Payable one time on acceptance of Engagement Letter
Annuity Fee	Rs. 22,50,000.00	Per annum payable annually from the date of Engagement Letter till the debentures are redeemed and security is released
Documentation Charges	Rs. 20,000.00	Periodic Monitoring Fees (Payable Quarterly)
Annuity fees are payable till the debentures are redeemed and the security is released*		
The above fees are exclusive of Goods & Services Tax, Education Cess, and any other Tax as may be levied by the Government from time-to-time; and Out of Pocket expenses like Audit fees, Legal counsel fees, travelling expenses, etc if any.		
The Company shall pay the above-mentioned remuneration within 60 days from the date of the invoice. In case of a delay, the Company shall be liable to pay interest at the rate of 12% per annum		
In case of default, all activity related to invocation of Security/(ies) and/or enforcement of collateral will entail separate fees and will be borne by the Issuer. If the Issuer is unable to pay the fees at the time of Enforcement, the same will need to borne by Debenture Holders / Lender / Investor / Beneficiary.		

For Beacon Trusteeship Limited

Authorised Signatory

Accepted

For Indiabulls Commercial Credit Limited

Authorised Signatory

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
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CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

Annexure II

Terms of Engagement

(A) The Company wishes to engage Beacon Trusteeship Limited (“Beacon”) to act as Debenture Trustee for Secured Listed Redeemable Non-Convertible Debentures aggregating to Rs. 2000.00 Crores in accordance with the terms and subject to the conditions set out herein and the relevant transaction documents (the “Engagement”); and

(B) Beacon is engaged in the business of trusteeship services and has the necessary resources, infrastructure and capability to act as the trustee

This Letter will be supplemented with the definitive documents to be executed in relation to the transaction (“**Transaction Documents**”).

AGREED TERMS:

1. TERMS OF ENGAGEMENT

1.1 The Company shall engage Beacon to perform trusteeship services on the terms and conditions mentioned in this Letter and the Transaction Documents.

1.2 The Engagement shall commence on September 01,2021 (“**the Effective Date**”) and shall continue until the date on which it is terminated as provided by the terms of the Engagement (the “**Engagement Period**”).

1.3 The Parties also agree that upon, or after, acceptance of this Letter by the Company, Parties may enter into such other agreements and deeds as may be necessary for the provision of trusteeship services by Beacon (“**Transaction Documents**”).

2. FEES AND EXPENSES

2.1 In consideration of the provision of the Services during the Engagement, the Company shall pay to Beacon the fees as set out in Annexure I hereto (“**Trusteeship Fees**”).

2.2 The Trusteeship Fees are exclusive of goods and services tax and/or any other similar taxes except withholding taxes.

2.2 All payments due to Beacon will be made by bank transfer, and no payments will be made in cash or bearer instruments. No payments will be made to a third party and all payments will be made at Company’s option in the place where Beacon is domiciled or where it performs the Services.

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

3. CONFIDENTIAL INFORMATION

1. Beacon acknowledges that in the course of the Engagement, Beacon will have access to Confidential Information. For the purposes of this Letter “Confidential Information” means all data, reports, interpretations, forecasts and records containing or otherwise reflecting information concerning the Company, its associated companies (the “Group Companies”) or any of its or their clients, employees or other parties with whom the Company or the Group Companies has a relationship which is not known by or readily available to the general public, including without limitation all information regarding the Engagement (including without limitation the fact that discussions or negotiations are taking place or have taken place between the Company, Beacon and other third parties in connection with the Engagement) created, received or learned by Beacon, or provided to Beacon, during the Engagement and including all analyses, compilations, studies or other documents prepared by Beacon which contain or reflect such information.

2. Beacon shall hold and treat all Confidential Information in confidence and shall ensure that all its personnel do the same. Beacon shall not either during the Engagement or at any time after the termination, use or disclose to any person, firm or company any Confidential Information. This restriction does not apply to:

- (a) any use or disclosure authorised by the Company in writing;
- (b) any disclosure that is required by law provided that to the extent permitted by law,; or
- (c) any information which is or becomes publicly available otherwise than through Beacon’s unauthorized disclosure.

4. TERMINATION

The term of this Engagement shall, subject to the Transaction Documents, extend till the earlier of: (a) the discharge of Beacon as the trustee pursuant to the Transaction Documents; (b) redemption of the transaction pursuant to the Transaction Documents; and (c) either Party shall have the right to terminate, by giving advance notice as agreed in the Transaction documents.; (d) Beacon shall have the right to terminate with immediate effect, if the Company or any of its affiliates, employee or agent commits any act with an intent to fraudulently deceive or harm to Beacon or perpetrates any act resulting in any third party liability against Beacon, its agents, affiliates, employees or its directors and wilfully commits any act to hamper/harm Beacon’s legitimate business interest and adversely affect its goodwill

5. INDEMNIFICATION

The Company agrees to indemnify and hold harmless Beacon and its affiliates and any of their officers, directors, employees and agents (the “Indemnified Persons”) from and against (i) all losses, claims, damages or liabilities (or actions in respect thereof) arising out of or relating to a material breach by the Company of this Letter and will reimburse each Indemnified Person for all expenses (including legal fees) as they are incurred by such Indemnified Person in connection with investigating, preparing or defending any such action or claim; and (ii) any liability arising from any employment-related claim or any claim based on worker status brought by the Company. (iii) any liability arising due to technical error or issues in the software used to maintain the data.

BEACON TRUSTEESHIP LTD.

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CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

6. NOTICES

6.1 Any notice or document required to be served shall be in writing and shall be delivered to Beacon or the Company by registered or certified mail or by private courier at the address specified below or such other address as may be notified to the other Party from time to time. Any notices or documents served by (i) by e-mail or facsimile shall be deemed to have been served on the date of transmission/dispatch, (ii) private courier shall be deemed to have been served 1 (one) clear business day after it is couriered or (iii) registered post mail shall be deemed to have been served 5 (five) clear business days after it is posted.

6.2 Details for notices are as follows:

Notices to the Company shall be sent to:

Address: M-62 & 63, 1st Floor, M-103 & 104, 2nd Floor, Connaught Place, New Delhi-110001, Delhi

Attention: Mr. Sandipan Amboli

Contact: 9769070837

E-mail: trops@indiabulls.com

Notices to Beacon shall be sent to:

Address: 4 C & D, Siddhivinayak Chambers, Opp. MIG Cricket Club, Gandhi Nagar, Bandra East, Mumbai 400051.

Attention: Mr. Vitthal Nawandhar

Contact: 022-26558759

E-mail: compliance@beacontrustee.co.in

6. VARIATION

No variation of this Letter shall be valid unless it is in writing and signed by or on behalf of each of the parties.

7. PANDEMIC/FORCE MAJEURE/ANY UNCERTAIN EVENT

In case of pandemic or force majeure or any uncertain event, kindly note that Trustee fees shall still be payable. In case our trusteeship fees is not paid within stipulated timelines, then we have right to inform any agencies regarding our outstanding.

BEACON TRUSTEESHIP LTD.

Regd & Corporate Office : 4C & D Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club, Bandra East (E),
Mumbai - 400051

CIN: U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

ANNEXURE VII

**DUE DILIGENCE CERTIFICATE FROM THE DEBENTURE TRUSTEE IN ACCORDANCE WITH
SEBI CIRCULAR DATED NOVEMBER 3, 2020**

(The rest of this page has been intentionally left blank.)

DUE DILIGENCE CERTIFICATE – ANNEXURE A

Ref. No.: 16524/BTL/OPR/2021-22

Date: 15th September 2021

To,
BSE Limited and National Stock Exchange of India Limited

Dear Sir / Madam,

SUB.: Issue of Secured Listed Redeemable Non-Convertible Debentures aggregating upto Rs. 2000.00 Crores by Indiabulls Commercial Credit Limited.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

- 1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.
- 2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications, WE CONFIRM that:
 - a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.
 - b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).
 - c) The Issuer has made all the relevant disclosures about the security and also its continued obligations towards the holders of debt securities.
 - d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.
 - e) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.
 - f) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.
 - g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

For Beacon Trusteeship Limited

Authorised Signatory
PLACE: MUMBAI



BEACON TRUSTEESHIP LTD.

Corporate Office : 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club Bandra (E), Mumbai - 400 051.

Regd Off : 4C & D, Siddhivinayak Chambers, Gandhi Nagar, Opp MIG Cricket Club Bandra (E), Mumbai - 400 051. | CIN : U74999MH2015PLC271288

Phone : 022-26558759 | Email : contact@beacontrustee.co.in | Website : www.beacontrustee.co.in

ANNEXURE VIII

CASH FLOW WITH DATE OF INTEREST/ REDEMPTION PAYMENT AS PER DAY COUNT CONVENTION

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

Option I				
Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (INR)
Deemed date of allotment	Tuesday, September 21, 2021	Tuesday, September 21, 2021		-1,000,000.00
1st Coupon	Wednesday, September 21, 2022	Wednesday, September 21, 2022	365	86,000.00
2nd Coupon	Thursday, September 21, 2023	Thursday, September 21, 2023	365	86,000.00
Principal / Maturity value	Thursday, September 21, 2023	Thursday, September 21, 2023		1,000,000.00
			XIRR	8.60%

Option II				
Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (INR)
Deemed date of allotment	Tuesday, September 21, 2021	Tuesday, September 21, 2021		-1,000,000.00
1st Coupon	Wednesday, September 21, 2022	Wednesday, September 21, 2022	365	87,500.00
2nd Coupon	Thursday, September 21, 2023	Thursday, September 21, 2023	365	87,500.00
3rd Coupon	Saturday, September 21, 2024	Friday, September 20, 2024	366	87,500.00
Principal / Maturity value	Saturday, September 21, 2024	Friday, September 20, 2024		1,000,000.00
			XIRR	8.75%

Option III				
Cash Flows	Due Date	Date of Payment	No. of days in Coupon Period	Amount (INR)
Deemed date of allotment	Tuesday, September 21, 2021	Tuesday, September 21, 2021		-1,000,000.00
1st Coupon	Wednesday, September 21, 2022	Wednesday, September 21, 2022	365	90,000.00
2nd Coupon	Thursday, September 21, 2023	Thursday, September 21, 2023	365	90,000.00
3rd Coupon	Saturday, September 21, 2024	Friday, September 20, 2024	366	90,000.00
4th Coupon	Sunday, September 21, 2025	Friday, September 19, 2025	365	90,000.00
5th Coupon	Monday, September 21, 2026	Monday, September 21, 2026	365	90,000.00
Principal / Maturity value	Monday, September 21, 2026	Monday, September 21, 2026		1,000,000.00
			XIRR	9.00%

ANNEXURE IX

COPY OF BOARD AND SHAREHOLDERS RESOLUTIONS

1. Shareholder Resolution dated August 1, 2018.

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Indiabulls

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE EXTRAORDINARY GENERAL MEETING OF THE MEMBERS OF INDIABULLS COMMERCIAL CREDIT LIMITED HELD ON WEDNESDAY, THE 1ST DAY OF AUGUST, 2018 AT M-62 & 63, FIRST FLOOR, CONNAUGHT PLACE, NEW DELHI – 110001

“RESOLVED THAT in supersession of the Shareholders’ authorization at the Extraordinary General Meeting of the Company held on December 27, 2017, authorizing the Company to borrow monies upto an aggregate of ₹ 9,500 Crore, consent of the members of the Company be and is hereby accorded pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, read with the Rules framed thereunder, as may be amended from time to time, to the Board of Directors of the Company (hereinafter called the “Board”, which term shall be deemed to include any committee(s) constituted / to be constituted by the Board to exercise its powers conferred by this resolution) for borrowing from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained by the Company’s bankers in its ordinary course of business), may exceed the aggregate of its paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 20,000 Crore.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which the Company borrows the money, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such other acts, deeds and things, as it may deem necessary, in its absolute discretion, including to execute all such agreements, documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred, to any Committee of Directors and / or directors and / or officers of the Company, to give effect to the authority of this resolution.”

For **Indiabulls Commercial Credit Limited**


Ajit Kumar Singh
Company Secretary

Membership No.: ACS-20840

PAN: BKJPS4927C

Address: G1-370, 1st Floor,

Uttam Nagar, New Delhi-110059



10730

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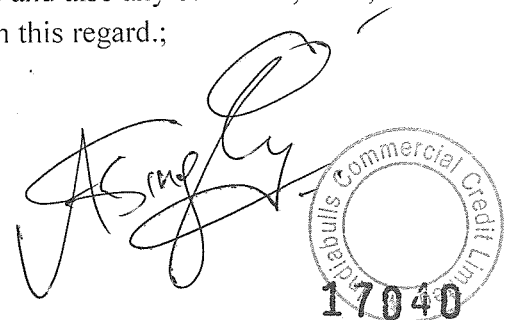
2. Board Resolution dated January 10, 2019.

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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF INDIABULLS COMMERCIAL CREDIT LIMITED AT ITS MEETING HELD ON JANUARY 10, 2019

Issue of secured redeemable non-convertible debentures and/ or unsecured redeemable non-convertible debentures in the nature of subordinated debt (ncds) aggregating upto Rs. 5,000 crore

“**RESOLVED THAT** pursuant to and in accordance with the provisions of section 23, 42, 179 (3) and other applicable provisions of the Companies Act, 2013, as amended (the “**Act**”) read with the relevant Rules made thereunder (the “**Rules**”) and as applicable to the Company, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended (“**Debt Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; as amended (the “**Listing Regulations**”), the enabling provisions of the Memorandum and Articles of Association of the Company and the special resolution passed by the members of the Company under Section 180 of the Act at the extraordinary general meeting of the Company held on August 1, 2018, and subject to such approvals, sanctions, consents and/or permissions of the Securities and Exchange Board of India (“**SEBI**”), National Stock Exchange of India Limited and BSE Limited (the “**Stock Exchanges**”) and/or such other appropriate authorities, institutions or bodies, as the case may be, and further subject to such terms, conditions, modifications as may be prescribed or imposed while granting such approvals, permissions and/or sanctions and as may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which expression shall deem to include any Committee thereof), the Board be and hereby approve raising of capital through offer, issue and allotment of secured redeemable non-convertible debentures and/ or unsecured redeemable non-convertible debentures in the nature of subordinated debt (“**NCDs**”) whether cumulative and/ or non-cumulative by way of private placement and/or through public issue of NCDs, aggregating upto Rs. 5,000 Crore (**Rupees Five Thousand Crores**), to investors eligible under applicable law (“**the Issue**”) in one or more tranches and to utilize the amount raised by issue of the NCDs towards objects mentioned in the Draft Shelf Prospectus/ Shelf Prospectus/ Tranche Prospectus(es)/Disclosure Documents and which may be listed on one or more of the recognised stock exchanges in India and at such interest rates and on such terms and conditions as may be determined by the Board/ Bond Issue Committee of Directors/any other committee constituted and authorized by the Board (including any right to retain oversubscription for issuance of additional NCDs) in accordance with the Debt Regulations, Listing Regulations and also any other law, rules, directions, notifications, circulars issued by any statutory authority, in this regard.;



A handwritten signature in black ink is written over a circular stamp. The stamp contains the text "Indiabulls Commercial Credit Limited" around the perimeter and the number "17040" at the bottom.

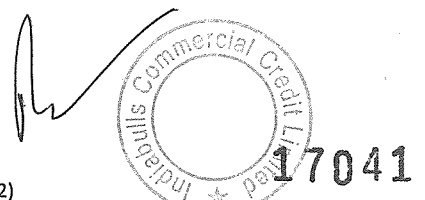
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RESOLVED FURTHER THAT without prejudice to any of the powers of the Board in this regard, the Bond Issue Committee of the Company be and is hereby authorized by the Board to approve the Draft Shelf Prospectus, the Shelf Prospectus and the Tranche Prospectus(es) for and on behalf of the Board and to sign such Draft Shelf Prospectus, the Shelf Prospectus and Tranche Prospectus(es) for and on behalf of and in the name of the Board and the members of the Board and to do such other act as may be deemed necessary to give effect to the above resolution;

RESOLVED FURTHER THAT Mr. Ajit Kumar Singh, Company Secretary, be and is hereby appointed as the Compliance Officer of the Company for the purpose of the Issue;

RESOLVED FURTHER THAT any one of the Directors of the Company or Mr. Ashish Kumar Jain, CFO or Mr. Ajit Kumar Singh, Company Secretary or Mr. Ashwin Mallick or Mr. Harshil Suvarnkar or Mr. Amit Jain or Mr. Kuldeep Mittal or Mr. Vineet Jaiswal or Mr. Ravi Telkar or Mr. Gaurav Srivastava or Mr. Subhankar Ghosh or Mr. Sanjay Lohani or Mr. Gaurav Khetrpal, as Authorized Representatives of the Company, be and are hereby jointly and/or severally authorized to enter into and execute all such agreements/arrangements as may be required for appointing lead managers, consortium members, debenture trustee, legal advisors, depositories, custodians, registrars and bankers to the Issue, printers, credit rating agency(ies), advertising agency(ies) and such other persons/agencies as may be involved or concerned in such offerings of NCDs and to remunerate all such persons/agencies, including by the payment of commission, brokerage, fees, etc. as may be deemed fit;

RESOLVED FURTHER THAT any one of the Directors of the Company or Mr. Ashish Kumar Jain, CFO or Mr. Ajit Kumar Singh, Company Secretary or Mr. Ashwin Mallick or Mr. Harshil Suvarnkar or Mr. Amit Jain or Mr. Kuldeep Mittal or Mr. Vineet Jaiswal or Mr. Ravi Telkar or Mr. Gaurav Srivastava or Mr. Subhankar Ghosh or Mr. Sanjay Lohani or Mr. Gaurav Khetrpal, as Authorized Representatives of the Company, be and are hereby jointly and/or severally authorized to file the Draft Shelf Prospectus Shelf Prospectus and Tranche Prospectus(es) and other documents with SEBI, the Registrar of Companies Delhi & Haryana (“RoC”), Stock Exchange(s) as may be required, and to apply for the listing of such NCDs in one or more recognised stock exchanges in India, as may be required by applicable laws and to sign and execute listing application(s), various agreements including but not limited to mortgage deed/deed of hypothecation/ debenture trust deed, debenture trustee agreement, listing agreement, tripartite agreements, undertakings, deeds, declarations, affidavits, certificates, documents, etc. and all other documents and to do all such acts, deeds and things, and take necessary actions and to comply with all formalities as may be required in connection with and incidental to the aforesaid offering of NCDs including the post issue formalities and settle any question, difficulties or doubts that may arise in regard to the issue or allotment of such NCDs;



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RESOLVED FURTHER THAT the Bond Issue Committee of Directors of the Company be and is hereby authorized to delegate all or any of the powers herein conferred on it in such manner and on such persons as may be deemed fit, including the power to finalise the basis of allotment in the event of over-subscription and acceptance and appropriation of the proceeds of the NCDs;


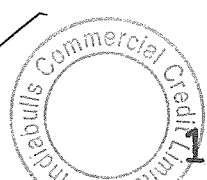
RESOLVED FURTHER THAT the Bond Issue Committee, be and is hereby authorized to approve the re-formatted financial statements of the Company, required for the purpose of incorporating in the Draft Shelf Prospectus, Shelf Prospectus and Tranche Prospectus(es);

RESOLVED FURTHER THAT any one of the Directors of the Company or Mr. Ashish Kumar Jain, CFO or Mr. Ajit Kumar Singh, Company Secretary or Mr. Ashwin Mallick or Mr. Harshil Suvarnkar or Mr. Amit Jain or Mr. Kuldeep Mittal or Mr. Vineet Jaiswal or Mr. Ravi Telkar or Mr. Gaurav Srivastava or Mr. Subhankar Ghosh or Mr. Sanjay Lohani or Mr. Gaurav Khetrupal, as Authorized Representatives of the Company, be and are severally hereby authorized to make such changes, as may be required to the Draft Shelf Prospectus, Shelf Prospectus and Tranche Prospectus(es) as may be approved by the Bond Issue Committee and to sign and issue the Draft Shelf Prospectus, Shelf Prospectus and Tranche Prospectus(es) for and on behalf of the Company and sign such agreements, documents, papers, certificates, affidavits, declarations, etc. and to do all such acts, deeds and things as may be necessary or incidental for giving effect to the above resolution;

RESOLVED FURTHER THAT the Bond Issue Committee of Directors of the Company be and is hereby authorized and shall be deemed to have always been so authorized to create such mortgages, charges, hypothecation or encumbrances on all or any part of the immovable or movable properties, current or fixed assets, tangible or intangible assets, book debts and/or claims of the Company wherever so situated, present and future, such first charge to rank *pari-passu* in favour of such debenture holders/secured lenders of the Company, as may be required from time to time, in accordance with the terms of the instrument offered to such debenture holders/secured lenders, to secure all amounts borrowed from them along with interest, cost, charges and other incidental expenses and to register all security documents with the required authority(ies) and make all necessary filings, and reporting for the perfection of such security;

RESOLVED FURTHER THAT Bond Issue Committee, be and are hereby authorized to allot the NCDs, create and register charges and execute such other documents as may be required in connection with the said Issue;

RESOLVED FURTHER THAT the Bond Issue Committee be and is hereby authorized to open one or more no-lien bank account with banks, registered with Securities and Exchange Board of



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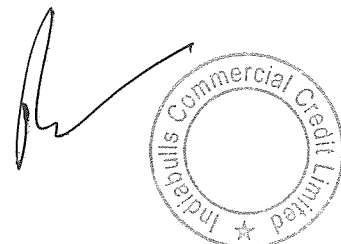
India under the Securities and Exchange Board of India (Bankers to an Issue), Regulations, 1994 as bankers to an issue, for remittance of the Issue proceeds as may be received from the investors in the Issue;

RESOLVED FURTHER THAT no right of set-off or lien will be imposed on the above-mentioned bank account by the Company or the bank and a letter foregoing such rights, be obtained from the bank and be furnished to the authorities as and when required;

RESOLVED FURTHER THAT any one of the Directors of the Company or Mr. Ashish Kumar Jain, CFO or Mr. Ajit Kumar Singh, Company Secretary or Mr. Ashwin Mallick or Mr. Harshil Suvarnkar or Mr. Amit Jain or Mr. Kuldeep Mittal or Mr. Vineet Jaiswal or Mr. Ravi Telkar or Mr. Gaurav Srivastava or Mr. Subhankar Ghosh or Mr. Sanjay Lohani or Mr. Gaurav Khetrapal, as Authorized Representatives of the Company, be and are hereby jointly and/or severally authorized to enter into agreement(s) with the concerned bank(s), the registrar appointed for the purpose of the Issue and the lead managers to the Issue for opening the abovementioned bank accounts singly or jointly and without any limit, to operate the said account/s, and to give such instructions including closure thereof as may be required and deemed appropriate by them, and that the said bank/s be and are hereby authorized to honor all cheques and other negotiable instruments drawn, accepted or endorsed and instructions given by the aforesaid authorized signatories on behalf of the Company and/or lead managers to the Issue, as the case may be, in accordance with the regulatory provisions and the agreements entered into for the purpose of the Issue;

RESOLVED FURTHER THAT any one of the Directors of the Company or Mr. Ashish Kumar Jain, CFO or Mr. Ajit Kumar Singh, Company Secretary or Mr. Ashwin Mallick or Mr. Harshil Suvarnkar or Mr. Amit Jain or Mr. Kuldeep Mittal or Mr. Vineet Jaiswal or Mr. Ravi Telkar or Mr. Gaurav Srivastava or Mr. Subhankar Ghosh or Mr. Sanjay Lohani or Mr. Gaurav Khetrapal, as Authorized Representatives of the Company, be and are severally authorized to issue debenture certificate(s) to the allottees, do all such acts, deeds, matters and things as may be required to dematerialise the NCDs, to sign agreements and/or such other documents as may be required by National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”) and to credit the NCDs to the beneficiary accounts of the allottees.

RESOLVED FURTHER THAT the common seal of the Company, if required, be affixed to any deed/document/agreement/undertaking, in the presence of any Director of the Company and Mr. Ajit Kumar Singh, Company Secretary and Compliance Officer, who shall sign the same in token thereof, in accordance with the provisions of the Articles of Association of the Company;



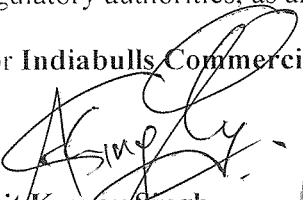
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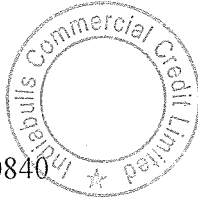
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RESOLVED FURTHER THAT any one of the Directors of the Company or Mr. Ashish Kumar Jain, CFO or Mr. Ajit Kumar Singh, Company Secretary or Mr. Ashwin Mallick or Mr. Harshil Suvarnkar or Mr. Amit Jain or Mr. Kuldeep Mittal or Mr. Vineet Jaiswal or Mr. Ravi Telkar or Mr. Gaurav Srivastava or Mr. Subhankar Ghosh or Mr. Sanjay Lohani or Mr. Gaurav Khetrpal, as Authorized Representatives of the Company, be and are hereby severally authorized to represent the Company before ROC, SEBI, Stock Exchanges, Ministry of Corporate Affairs and any other statutory and government authorities, intermediaries involved in the Issue and to furnish additional information, sign undertakings, declarations, documents and papers, give clarifications and replies in this regard and to do all such acts, deeds and things and take actions as may be deemed necessary or incidental to give effect to the afore stated resolutions;

RESOLVED FURTHER THAT a certified copy of this resolution be forwarded to statutory and regulatory authorities, as and when required.”

For **Indiabulls Commercial Credit Limited**


Ajit Kumar Singh
Company Secretary
Membership No.: ACS 20840



17044

3. Shareholder Resolution dated July 29, 2021.

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CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE SHAREHOLDERS' OF THE COMPANY AT THEIR FIFTEENTH ANNUAL GENERAL MEETING HELD ON THURSDAY, 29TH DAY OF JULY, 2021 AT M-62 & 63, FIRST FLOOR, CONNAUGHT PLACE, NEW DELHI – 110001

"RESOLVED THAT pursuant to the provisions of Section 42 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules framed thereunder, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations 2008, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time, and subject to other applicable regulations/ guidelines, consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board", which term shall be deemed to include any committee(s) constituted/to be constituted by the Board to exercise its powers conferred by this resolution) to issue Redeemable Non-Convertible Debentures, secured or unsecured ("NCDs") and/or Bonds, for cash, either at par or premium or discount to the face value, under one or more shelf disclosure documents and/or under one or more letters of offer, as may be issued by the Company, and in one or more series, on private placement basis, from time to time, during a period of one year from the date of passing of this Resolution, such that the total amount raised by the Company through issue of NCDs / Bonds at any given point of time shall not exceed INR 20,000 Crores, which is within the overall borrowing limits of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed, from time to time, as to interest, repayment, security or otherwise howsoever as it may think fit and to do all such other acts, deeds and things, as it may deem necessary, in its absolute discretion, including to execute all such agreements, documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred, to any Committee of Directors and / or directors and / or officers of the Company, to give effect to the authority of this resolution."

For Indiabulls Commercial Credit Limited


Ajit Kumar Singh
Company Secretary

Membership No.: A-20840

PAN: BKJPS4927C

Address: G1-370, 1st Floor,

Uttam Nagar, New Delhi-110059

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EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 5:

Special Resolution, for issue of Non-Convertible Debentures and/or Bonds, of the Company, on private placement basis:

Pursuant to and in terms of Section 42 of the Companies Act, 2013 read with the Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Board of Directors of the Company, subject to members' approval, by way of a Special Resolution, which is required to be passed every year, can raise funds through issue of NCDs and/or Bonds, on a private placement basis, upto one year from the date of members' approval to the resolution, as set out at Item No.5 of this Notice.

Accordingly, approval of the Members is being sought by way of a Special Resolution as set out at Item No. 5 of this Notice, as an enabling authorization for the Board to issue NCDs and/or Bonds, on a private placement basis, during a period of one year from the date of this Annual General Meeting (AGM) of the Company, which, at any given point of time shall not exceed INR 20,000 Crores, which is within the overall borrowing limits of the Company.

The Board accordingly recommends, passing of the Special Resolution, as set out at Item No. 5 of this Notice, for the approval of the Members of the Company.

None of the Promoter, Directors and Key Managerial Persons (KMPs) of the Company or any relatives of such Promoter, Directors or KMPs, are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of this Notice.

For Indiabulls Commercial Credit Limited


Ajit Kumar Singh
Company Secretary

Membership No.: A-20840

PAN: BKJPS4927C

Address: G1-370, 1st Floor,

Uttam Nagar, New Delhi-110059